

SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,500,000 PROJECT NOTES (SERIES 2013) (FEDERALLY TAXABLE) OF THE CITY OF PERTH AMBOY REDEVELOPMENT AGENCY

WHEREAS, the City of Perth Amboy Redevelopment Agency (the "Agency") was created as a public body corporate and politic of the State of New Jersey, under the provisions of the Redevelopment and Housing Law (N.J.S.A. 40A:12A-1, et seq.) as amended and supplemented (the "Act"), by the City of Perth Amboy, in the County of Middlesex, State of New Jersey (the "City") by ordinance finally adopted February 10, 1997; and

WHEREAS, the Act provides that the Agency shall have the power to borrow money and issue its bonds and other obligations and to provide for the rights of the holders of its bonds and other obligations, as provided in the Act, for the purpose of financing the cost of various projects; and

WHEREAS, on June 12, 2007, the Agency adopted a resolution entitled, "Resolution Authorizing the Issuance of Project Notes (Series 2007) of the City of Perth Amboy Redevelopment Agency", as amended and supplemented (the "Project Note Resolution"); and

WHEREAS, on June 28, 2007, the Agency and the City entered into a Subsidy Agreement (the "Subsidy Agreement"), pursuant to which, the City is obligated to pay to the Agency any amount needed to pay the principal of and interest due on any project notes issued pursuant to the Project Note Resolution, as the same may be amended from time to time, to the extent such funds are not otherwise available from the Agency; and

WHEREAS, pursuant to the terms of the Resolution, the Agency issued \$3,800,000 aggregate principal amount of a Project Note (Series 2007) (Federally Taxable), dated and issued June 28, 2007 and maturing on June 27, 2008 (the "2007 Project Note"); and

WHEREAS, proceeds from the sale and issuance by the Agency of the 2007 Project Note were used to temporarily finance (i) the acquisition of certain property from the City and located in the City (the "Property") and capital costs related to the redevelopment of the Property; and (ii) pay the costs incurred in connection with the issuance and delivery of the 2007 Project Note; and

WHEREAS, the Agency anticipated selling the Property prior to the maturity of the 2007 Project Note and using the proceeds of such sale to pay the principal of and interest due on the 2007 Project Note; and

WHEREAS, due to a significant downturn in the economy and the real estate market, among other reasons, in June of 2008, the Agency had not yet completed such sale; and

WHEREAS, on June 10, 2008, the Agency adopted a resolution entitled, "Supplemental Resolution Authorizing the Issuance of Not to Exceed \$3,800,000 Project Notes (Series 2008) (Federally Taxable) of the City of Perth Amboy Redevelopment Agency", pursuant to which the Agency issued \$3,800,000 aggregate principal amount of a Project Note (Series 2008) (Federally Taxable), dated and issued June 28, 2008 and which matured on June 26, 2009 (the "2008 Project Note"); and

WHEREAS, proceeds from the sale and issuance of the 2008 Project Note were used by the Agency to currently refund, at maturity, the principal of the 2007 Project Note (but not the interest due thereon); and

WHEREAS, on June 2, 2009, the Agency adopted a resolution entitled, "Supplemental Resolution Authorizing the Issuance of Not to Exceed \$3,800,000 Project Notes (Series 2009) (Federally Taxable) of the City of Perth Amboy Redevelopment Agency", pursuant to which the Agency issued \$3,800,000 aggregate principal amount of a Project Note (Series 2009) (Federally Taxable), dated and issued on June 25, 2009 which matured on June 24, 2010 (the "2009 Project Note"); and

WHEREAS, proceeds from the sale and issuance of the 2009 Project Note were used by the Agency to currently refund, at maturity, the principal of the 2008 Project Note (but not the interest due thereon); and

WHEREAS, on May 25, 2010, the Agency adopted a resolution entitled, "Supplemental Resolution Authorizing the Issuance of Not to Exceed \$3,800,000 Project Notes (Series 2010) (Federally Taxable) of the City of Perth Amboy Redevelopment Agency", pursuant to which the Agency issued \$3,800,000 aggregate principal amount of a Project Note (Series 2010) (Federally Taxable), dated and issued on June 24, 2010 which matured on June 23, 2011 (the "2010 Project Note"); and

WHEREAS, proceeds from the sale and issuance of the 2010 Project Note were used by the Agency to currently refund, at maturity, the principal of the 2009 Project Note (but not the interest due thereon); and

WHEREAS, on May 1, 2011, the Agency adopted a resolution entitled, "Supplemental Resolution Authorizing the Issuance of Not to Exceed \$3,800,000 Project Notes (Series 2011) (Federally Taxable) of the City of Perth Amboy Redevelopment Agency" pursuant to which the Agency issued \$3,700,000 aggregate principal amount of a Project Note (Series 2011) (Federally Taxable), dated and issued on June 23, 2011 and which matured on June 22, 2012 (the "2011 Project Note"); and

WHEREAS, proceeds from the sale and issuance of the 2011 Project Note were used by the Agency to currently refund, at maturity, a portion of the principal of the 2010 Project Note (but not the interest due thereon); and

WHEREAS, on May 1, 2012, the Agency adopted a resolution entitled, "Supplemental Resolution Authorizing the Issuance of Not to Exceed \$3,700,000 Project Notes (Series 2012) (Federally Taxable) of the City of Perth Amboy Redevelopment Agency" pursuant to which the Agency issued \$3,200,000 aggregate principal amount of a Project Note (Series 2012) (Federally Taxable), dated and issued on June 22, 2012 and which matures on January 22, 2013 (the "2012 Project Note"); and

WHEREAS, proceeds from the sale and issuance of the 2012 Project Note were used by the Agency, together with \$500,000 from the City pursuant to an agreement by and between the City and the Agency dated June 19, 2012 to currently refund, at maturity, the principal of the 2011 Project Note (but not the interest due thereon); and

WHEREAS, pursuant to the Project Note Resolution, the Agency is authorized to issue Additional Project Notes (as defined in the Project Note Resolution) for, among other things, the refunding of any Project Notes (as defined in the Project Note Resolution);

WHEREAS, the Agency desires to issue its Project Note (Series 2013) (Federally Taxable) (the "2013 Project Note") for the purpose of refunding a portion of the principal of the 2012 Project Note (collectively, the "2013 Project"); and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF PERTH AMBOY REDEVELOPMENT AGENCY as follows:

ARTICLE I
General Provisions

Section 101. Short Title. This resolution may hereafter be cited by the Agency and is hereinafter sometimes referred to as the “2013 Supplemental Resolution”.

Section 102. Terms Defined in Resolution. Whenever used or referred to in this 2013 Supplemental Resolution, all words and terms which are defined in Section 102 of the Project Note Resolution, shall have the same meanings given to such words and terms, as determined in Section 102 thereof, except to the extent words and terms are otherwise defined herein.

Section 103. Other Definitions. As used or referenced to, and unless the context clearly indicates a different meaning or use, in this 2013 Supplemental Resolution, the following terms shall have the meanings given in the recitals or in this 2013 Supplemental Resolution:

2007 Project Note	2013 Supplement Resolution
2008 Project Note	Act
2009 Project Note	Agency
2010 Project Note	City
2011 Project Note	Project Note Resolution
2012 Project Note	Property
2013 Project	Subsidy Agreement
2013 Project Note	

“Bank” shall have the meaning set forth in Section 306.

“Certificate” shall have the meaning set forth in Section 302.

“Material Events” shall have the meaning set forth in Section 501.

“MSRB” shall have the meaning set forth in Section 501.

“Paying Agent” shall have the meaning set forth in Section 306.

“Purchaser” shall have the meaning set forth in Section 307.

“Rule” shall have the meaning set forth in Section 501.

“Registrar” shall have the meaning set forth in Section 306.

“State” means the State of New Jersey.

“Trustee” shall have the meaning set forth in Section 306.

Section 104. Incorporation of Project Note Resolution. This 2013 Supplemental Resolution supplements and amends the Project Note Resolution. The Project Note Resolution, as amended herein, is incorporated herein by reference thereto.

(End of Article I)

ARTICLE II

Determinations By and Obligations of the Agency

Section 201. Authority for 2013 Supplemental Resolution. This 2013 Supplemental Resolution is adopted pursuant to the Act and the Project Note Resolution, and the Agency has ascertained and hereby determines that each and every act, matter, thing or course of conduct as to which provision is made in this 2013 Supplemental Resolution is appropriate in order to carry out and effectuate the purposes of the Agency in accordance with the Act and the Project Note Resolution to further secure the payment of the principal or redemption price of the 2013 Project Note.

Section 202. 2013 Project Note to Constitute Project Notes. The 2013 Project Note shall constitute Additional Project Notes and are therefore deemed to be Project Notes, as such terms are defined in the Project Note Resolution. The 2013 Project Note shall be issued pursuant to and in accordance with the Project Note Resolution.

Section 203. Project Note Resolution to Constitute Contract. In consideration of the purchase and acceptance of the 2013 Project Note by those who shall hold the same from time to time, the provisions of the Project Note Resolution shall be deemed to be and shall constitute a contract between the Agency, the Trustee and the holders from time to time of the 2013 Project Note; the pledge made in the Project Note Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Agency shall be for the equal benefit, protection and security of the holders of any and all of the 2013 Project Note, all of which, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction of any of the 2013 Project Note over any other thereof except as expressly provided in or pursuant to the Project Note Resolution.

(End of Article II)

ARTICLE III

Authorization, Purpose, Execution and Issuance of 2013 Project Note

Section 301. Authorization, Designation and Purpose of the 2013 Project Note. The 2013 Project Note of the Agency in the principal amount of not to exceed \$1,500,000 is hereby authorized to be issued pursuant to Sections 301 and 311 of the Project Note Resolution, such 2013 Project Note to be designated "Project Note (Series 2013) (Federally Taxable)." The 2013 Project Note is authorized and will be issued to provide funds for the cost of the 2013 Project.

Section 302. Description of 2013 Project Note; Delegation of Sale of 2013 Project Note.

(1) Terms. The 2013 Project Note shall be dated and shall bear interest, and shall mature and be subject to redemption, as provided a certificate of the Executive Director or Chairperson executed, upon consultation with the Chairperson (if executed by the Executive Director) (the "Certificate") duly executed, prior to the authentication and the delivery upon original issuance of the 2013 Project Note. Such Certificate may contain such other terms and provisions with respect to the 2013 Project Note that are not established by the terms of the Project Note Resolution or by the terms hereof and that are not inconsistent with the provisions thereof or hereof provided that it is consistent with the terms and conditions set forth in the approval of the Local Finance Board in the Division of Local Government Services, New Jersey Department of Community Affairs.

(2) Denomination and Place of Payment. The 2013 Project Note shall be issued in fully registered form, without coupons, and is issuable in the denomination of one note for the maturity thereof. The principal of the 2013 Project Note shall be payable to the registered owner thereof, or registered assigns, at maturity upon presentation and surrender of the 2013 Project Note at the principal corporate trust office of the Paying Agent. Interest on the 2013 Project Note will be paid to the registered owner by check or federal wire and such payment will be mailed by the Paying Agent to such Registered Owner at the most recent address appearing on the registration books of the Agency. All other terms and conditions with respect to the payment of the principal of and interest on the 2013 Project Note shall be as provided in the Project Note Resolution.

(3) Form of 2013 Project Note. The 2013 Project Note shall be in substantially the form contained in Section 312 of the Project Note Resolution.

Section 303. Application of 2013 Project Note Proceeds. The proceeds of the 2013 Project Note, including accrued interest on such 2013 Project Note, if any, and including any premium payable to the Agency thereon, if any, shall be applied simultaneously with the

delivery of such 2013 Project Note as directed by written order of the Chairperson, Vice Chairperson or Treasurer of the Agency.

Section 304. Execution of 2013 Project Note. The 2013 Project Note is hereby authorized to be executed in accordance with the provisions of Section 312 of the Project Note Resolution.

Section 305. Authentication of 2013 Project Note. The 2013 Project Note is hereby authorized to be authenticated in accordance with the provisions of Section 304 of the Project Note Resolution.

Section 306. Appointment of Trustee, Paying Agent and Registrar. In accordance with the provisions of Article VI of the Project Note Resolution, US Bank National Association, Morristown, New Jersey (the "Bank") is hereby appointed Trustee (the "Trustee"), Paying Agent (the "Paying Agent"), and Registrar (the "Registrar") for the 2013 Project Note. The Bank shall accept and shall carry out its duties and obligations as Trustee, Paying Agent and Registrar as provided in and as required by the terms of the Project Note Resolution.

Section 307. Appointment of Purchaser. The Chairperson and Executive Director of the Agency are hereby authorized and directed to appoint one or more underwriters or purchasers (the "Purchaser") for the 2013 Project Note to be compensated in accordance with the Certificate. Such appointment shall be evidenced by the execution of the Certificate.

Section 308. Approval by Certificate. The Chairperson, Vice Chairperson, Executive Director and Secretary of the Agency are, and each of them is hereby, authorized and directed to negotiate the terms of the 2013 Project Note with the Purchaser. The Certificate shall determine the terms and conditions relating to the sale of the 2013 Project Note, including the rate of interest to be borne by the 2013 Project Note and the underwriter's discount, if any, which is payable to the Purchaser in connection with the sale of the 2013 Project Note; provided however, that without the further authorization of the Agency, the net interest cost to be borne by the 2013 Project Note shall not exceed seven per centum (7.00%) per annum and the underwriter's discount, if applicable, for the 2013 Project Note shall not exceed \$3.00 per \$1,000 principal amount of such 2013 Project Note. The 2013 Project Note shall be delivered to the Purchaser at such time and place as shall be determined by the Agency, subject to the terms and conditions of the Certificate. The Chairperson, Vice Chairperson, Executive Director and Secretary of the Agency are, and each of them is, hereby authorized and directed to do and perform all things and execute all papers in the name of the Agency, and to make all payments necessary or in their opinion convenient, to the end that the Agency may carry out its obligations under the terms of said Certificate.

(End of Article III)

ARTICLE IV
Amendment to Project Note Resolution

Section 401. Amendment to Sections 310(b) and (c) of the Project Note Resolution.
Sections 310 (b) and (c) of the Project Note Resolution shall be amended as follows in their entirety:

(b) Any Additional Project Notes shall be issued only after authorization thereof by a Supplemental Resolution of the Agency or a certificate of authorization and award executed by the Chairperson or Vice Chairperson of the Agency (the "Award Certificate") adopted or executed, as applicable, prior to their authentication and delivery stating the purpose or purposes for which such Additional Project Notes are being issued, directing the application of the proceeds thereof to such purpose or purposes, directing the execution and authentication thereof, and fixing and determining the date, principal amount, denominations, designation and numbers thereof, the rate or rates of interest or maximum rate of interest to be borne thereby, the place or places of payment thereof, the redemption privileges of the Agency, if any, with respect thereto, and other provisions thereof in accordance with the terms of the Project Note Resolution. Upon such authorization, such Additional Project Notes may, upon initial issuance, at one time, or from time to time, be executed by or on behalf of the Agency.

(c) All Additional Project Notes shall be substantially in the form and tenor of the Project Notes as provided in the Project Note Resolution, except that, notwithstanding any other provision, such Project Notes shall be in such principal amounts, shall be of such denominations, shall bear such date, shall bear such designation as to series, numbers or symbols prefixed to their number distinguishing them from each other Project Note, and shall be subject to redemption prior to maturity on such terms and conditions consistent with the provisions of the Project Note Resolution, and may bear interest at such rate as may be fixed by a Supplemental Resolution or Award Certificate of the Agency authorizing the issuance of such Additional Project Notes or by such other Supplemental Resolution or Award Certificate of the Agency adopted or executed, as applicable, prior to authentication and delivery of such Additional Project Notes.

Section 402. Amendment Shall Supersede. To the extent that the terms of Section 401 of this 2013 Supplemental Resolution are inconsistent with the terms of the Project Note Resolution with respect to the authorization of Additional Project Notes, the terms of Section 401 of this 2013 Supplemental Resolution supersedes.

(End of Article IV)

ARTICLE V
Continuing Market Disclosure; Miscellaneous

Section 501. Continuing Market Disclosure. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the 2013 Project Note is not exempt from the Rule and provided that the 2013 Project Note is not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the 2013 Project Note remains outstanding (unless the 2013 Project Note has been wholly defeased), the Agency shall provide for the benefit of the holders of the 2013 Project Note and the beneficial owners thereof:

(a) Upon request (or at least annually to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access Data Port (the "MSRB")), financial information or operating data that is customarily prepared and publicly available consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Agency and the Agency's most current adopted budget. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards as may be required by State law;

(b) In a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB and to the State Repository, if any, notice of any of the following events with respect to the 2013 Project Note (herein "Material Events"):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;

- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) in a timely manner to the MSRB, notice of failure of the Agency to provide required annual financial information on or before the date specified in this 2013 Supplemental Resolution.

If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this 2013 Supplemental Resolution, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

The Executive Director or Chairperson are hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this 2013 Supplemental Resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule or would have been in compliance with the Rule if such amended undertaking had been entered into at the time of the issuance of the 2013 Project Note.

In the event that the Agency fails to comply with the Rule or the written contracts or undertakings specified in this 2013 Supplemental Resolution, the Agency shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 502. Additional Acts. The Chairperson and any other officer of the Agency, and the staff and consultants of the Agency are hereby authorized and directed to take all actions which are necessary or which are convenient to effectuate the terms of the Project Note Resolution in connection with the issuance, sale and delivery of the 2013 Project Note.

Section 503. Miscellaneous. A copy of this 2013 Supplemental Resolution shall be available for public inspection at the offices of the Agency. The Executive Director is hereby further directed to file a copy of this 2013 Supplemental Resolution in the office of the Clerk of the City.

Section 504. Authorization to Attest. The Executive Director, Vice Chairperson and the Interim Recording Secretary are each hereby authorized to attest and seal the 2013 Project Note or any subsequent project note authorized by Supplemental Resolution or Award Certificate. The Executive Director, Vice Chairperson, and Interim Recording Secretary are each hereby authorized to execute any certificate requiring the signature of the Agency's "Secretary" in connection with the 2013 Project Note.

Section 505. Effective Date. This 2013 Supplemental Resolution shall take effect immediately.

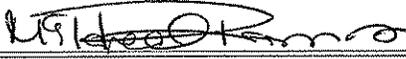
(End of Article V)

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Perth Amboy Redevelopment Agency at the Special Meeting held on January 15, 2013.

PERTH AMBOY REDEVELOPMENT AGENCY

ATTEST:


Secretary - Mildred Ramos

BY: 
Wilda Diaz, Chairperson

Approved as to Form:


Joseph Maraziti, Esq., Counsel to PARA

Recorded Vote	Aye	Nay	Abstain	Absent
Comm. Bolanowski				✓
Comm. Jacobs	✓			
Comm. James-Waldon				✓
Comm. Jasko	✓			
Comm. Gonzalez	✓			
Comm. Haborak	✓			
Chairwoman Diaz	✓			