



Legislation Details (With Text)

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Type: Ordinance **Status:** Adopted
File created: 3/29/2016 **In control:** Finance
On agenda: 4/20/2016 **Final action:** 5/26/2016

Title: AN ORDINANCE OF THE CITY OF NEWARK (THE "CITY"), IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING FOR FUNDING OF THE RIVERFRONT PARK EXPANSION AND IMPROVEMENTS IN AND BY THE CITY AND APPROPRIATING \$41,550,000.00, THEREFORE INCLUDING GRANTS EXPECTED TO BE RECEIVED BY THE CITY IN THE AMOUNT OF \$16,550,000.00 AND PROVIDING FOR THE ISSUANCE OF \$25,000,000.00 IN BONDS OR NOTES OF THE CITY OF NEWARK, NEW JERSEY, TO FINANCE PART OF THE COSTS THEREOF.
Sponsors: Chaneyfield Jenkins/ Osborne
Deferred 6PSF-c 050416
Deferred 6PSF-b 051816

Sponsors: Augusto Amador, Eddie Osborne

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
5/26/2016	1	Municipal Council	Close on Public Hearing and Adopt	Pass
5/18/2016	1	Municipal Council	maintained on public hearing and deferred to Special meeting	Pass
5/4/2016	1	Municipal Council	Maintained on Public Hearing and Deferred	Pass
4/20/2016	1	Municipal Council	Advance and Adopt on First Reading as 6F-	Pass

AN ORDINANCE OF THE CITY OF NEWARK (THE "CITY"), IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING FOR FUNDING OF THE RIVERFRONT PARK EXPANSION AND IMPROVEMENTS IN AND BY THE CITY AND APPROPRIATING \$41,550,000.00, THEREFORE INCLUDING GRANTS EXPECTED TO BE RECEIVED BY THE CITY IN THE AMOUNT OF \$16,550,000.00 AND PROVIDING FOR THE ISSUANCE OF \$25,000,000.00 IN BONDS OR NOTES OF THE CITY OF NEWARK, NEW JERSEY, TO FINANCE PART OF THE COSTS THEREOF.

Sponsors: Chaneyfield Jenkins/ Osborne
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BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring), THAT:

Section 1. The improvement or purpose described in Section 3 of this Bond Ordinance is

hereby authorized to be undertaken by the City of Newark, in the County of Essex, New Jersey (the "City"), as a general improvement. For the improvement or purpose described in Section 3 hereof, there is hereby appropriated the sum of \$41,550,000.00 including the following grants expected to be received by the City: a Hazardous Discharge Site Remediation Fund ("HDSRF") grant in the amount of \$1,900,000; a Green Acres Grant in the amount of \$2,500,000.00; an Essex County Open Space Trust Fund Grant in the amount of \$150,000.00; and a NJDEP National Resource Damages Settlement in the amount of \$12,000,000.00 (collectively, the "Grants"). No down payment is being appropriated hereto pursuant to the provisions of N.J.S.A. 40A:2-11(c).

Section 2. In order to finance the cost of the improvement or purpose described herein, negotiable bonds or notes are hereby authorized to be issued in the principal amount of \$25,000,000.00 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds or notes, 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 or notes are to be issued is as follows: the acquisition of real property in fee title or by easements, and the construction of improvements thereon, including the acquisition and installation of various park equipment. The City will acquire a minimum of 12.42 acres of land and a maximum of 38.69 acres of land along the Passaic River from the Jackson Street Bridge to Bridge Street Bridge in the City and limited by McCarter Highway on the Western boundary to expand and improve Riverfront Park in the City (the "Park"). Improvements to the Park include, but are not limited to, regrading, utilities, landscaping, drainage improvements, pedestrian and cycle pathways, benches and other seating, boathouse, athletic fields, habitat areas, floating dock, stage and amphitheater, exercise courses and fitness equipment, playground equipment, restroom facilities and decorative fences and railings, as applicable, and including all work and materials necessary therefor and incidental thereto.

(b) The estimated 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 the 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 the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the 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 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 City 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 City 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 City may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefited 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 19.50 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the Office of the City 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 City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$25,000,000.00, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An amount not exceeding \$15,300,000.00 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 improvement or purpose.

(e) The City reasonably expects to commence the acquisition and/or construction of the improvement or purpose 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 City further reasonably expects to reimburse such expenditures from the proceeds

of the bonds or notes authorized by this Bond Ordinance, in an aggregate amount not to exceed the amount of bonds or notes authorized in Section 2 hereof.

Section 7. Any Grants received for the purposes described in Section 3 hereof shall be applied to direct payment of the cost of the improvement or purpose described in this Bond Ordinance.

Section 8. The full faith and credit of the City is hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this Bond Ordinance, including a portion of the moneys held in the Riverfront Park Sub-Account in Open Space Trust Fund of the City to be pledged to the payment of obligations authorized hereunder. The obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy ad valorem taxes upon all the taxable real property within the City for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 9. The Chief Financial Officer of the City is hereby authorized and directed 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 City and to execute such disclosure document on behalf of the City. The Chief Financial Officer is further authorized and directed to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the City 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 City 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 City fails to comply with its undertaking, the City shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 10. The Municipal Council of the City hereby covenants on behalf of the City to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the bonds and notes authorized hereunder 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 11. This Bond Ordinance shall take effect 20 days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

STATEMENT

An ordinance of the City of Newark providing for the funding of the Riverfront Park expansion and improvements and providing for the issuance of \$25,000,000.00 in Bonds or Notes of the City of Newark, New Jersey.