



Legislation Text

File #: 24-0028, Version: 1

Dept/ Agency: Finance

Action: () Ratifying (X) Authorizing () Amending

Purpose: Confirming Bond Sale

Amount to be Financed: \$5,200,000.00

Source of Appropriation: Bond Anticipation Notes

Purchaser: Open Market

Project Information:

(Description/ Project No./Amount Appropriated/Ordinance No.)

RESOLUTION DETERMINING CERTAIN MATTERS IN CONNECTION WITH THE SALE OF \$5,200,000.00 PRINCIPAL AMOUNT OF GENERAL CAPITAL IMPROVEMENT BOND ANTICIPATION NOTES (ECIA PROPERTY ACQUISITION) (FEDERALLY TAXABLE), SERIES 2024A OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY.

Additional Information:

To rollover existing Bond Anticipation Notes that will be maturing.

WHEREAS, the Municipal Council of the City of Newark, in the County of Essex, New Jersey (the "City"), finally adopted bond ordinance number 6PSF-a(s) on November 27, 2018 which authorized the issuance of bonds or notes of the City to finance the acquisition of 16 properties (land, buildings and improvements) from the Essex County Improvement Authority (the "Ordinance"); and

WHEREAS, the City currently has outstanding under the Ordinance \$5,300,000.00 of its General Capital Improvement Bond Anticipation Notes (ECIA Property Acquisition) (Federally Taxable), Series 2023A, maturing on February 14, 2025 (the "2023A Notes") and the City desires to authorize the issuance of \$5,200,000.00 of its General Capital Improvement Bond Anticipation Notes (ECIA Property Acquisition) (Federally Taxable), Series 2024A (the "2024A Notes") for the purpose of providing for a portion of the funds necessary to currently refund and pay the 2023A Notes at their maturity; and

WHEREAS, the City has determined to authorize the offering and sale of the 2024A Notes by competitive sale pursuant to the terms and conditions of the attached Notice of Sale (the "Notice of Sale") described herein; and

WHEREAS, in connection with the offering and sale of the 2024A Notes, the City determines to authorize the distribution of a Preliminary Official Statement and final Official Statement with respect to the Notes, and to authorize the execution and delivery of a Continuing Disclosure Certificate.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY (, THAT:

Section 1. Confirmation of Intention to Issue 2024A Notes. Pursuant to the provisions of the Ordinance, the Director of Finance/Chief Financial Officer is hereby authorized and directed to sell,

issue, execute and deliver the 2024A Notes in accordance with this Resolution. The 2024A Notes will be dated and shall mature not later than one (1) year from their date as shall be determined by the Director of Finance/Chief Financial Officer. The 2024A Notes may be renewed from time to time in accordance with the provisions of the Local Bond Law (N.J.S.A. 40A:2-8.1). The 2024A Notes shall not be subject to redemption prior to maturity.

Section 2. Notice of Sale. It is hereby delegated to and the Director of Finance/Chief Financial Officer is hereby authorized and directed to sell and award the purchase of the 2024A Notes to the successful bidder pursuant to the terms and conditions of the Notice of Sale. The form of the Notice of Sale in substantially the form attached hereto as **Exhibit A** is hereby approved, and the execution of a Notice of Sale by the Director of Finance/Chief Financial Officer of the City is hereby authorized with such changes as may be approved by the Director of Finance/Chief Financial Officer, upon the advice of the City's bond counsel ("Bond Counsel") and the City's municipal advisor (the "Municipal Advisor"). The Director of Finance/Chief Financial Officer is authorized and directed to distribute the Notice of Sale in connection with the offering and sale of the 2024A Notes.

Section 3. Authorization for Official Statement. The preparation by the City and its municipal advisor, NW Financial Group, LLC (the "Municipal Advisor"), of a Preliminary Official Statement relating to the 2024A Notes is hereby authorized. There is hereby delegated to the Director of Finance/Chief Financial Officer of the City the authorization to approve the form of a Preliminary Official Statement, with such insertions, deletions and changes therein and any supplements thereto as Bond Counsel and the Municipal Advisor to the City may advise and recommend and the Director of Finance/Chief Financial Officer may approve, such approval to be evidenced by such City officer's execution of the final Official Statement as described herein. The Business Administrator or the Director of Finance/Chief Financial Officer are each hereby authorized and directed to deem the Preliminary Official Statement (the "POS") "final" within the meaning of the Rule and to execute and deliver a certificate to that effect. The Director of Finance/Chief Financial Officer is each hereby authorized and directed to approve the contents and terms of the final Official Statement reflecting the sale of the 2024A Notes in substantially the form of the POS. The Business Administrator and the Director of Finance/Chief Financial Officer are each hereby authorized and directed to execute such Official Statement on behalf of the City, in substantially such form, with such insertions, deletions and changes therein and any supplements thereto as Bond Counsel may advise, including revisions to reflect the terms of the sale of the 2024A Notes, including the purchase price for and the interest rate and yield on the 2024A Notes, and the City officer executing the same may approve, such approval to be conclusively evidenced by such City officer's execution thereof. The distribution of the Preliminary Official Statement and Official Statement by the Municipal Advisor of the City in connection with the offering and sale of the 2024A Notes is hereby authorized and approved.

Section 4. Continuing Disclosure. The form of the Continuing Disclosure Certificate in substantially the form attached hereto as **Exhibit B** is hereby approved, and the execution of such Continuing Disclosure Certificate by the Director of Finance/Chief Financial Officer of the City is hereby authorized. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the City and dated the date of issuance and delivery of the 2024A Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered a default on the 2024A Notes; however, any holder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City

to comply with its obligations under this Section.

Section 5. Form of Note. The form of the Note certificate substantially in the form attached hereto as **Exhibit C** is hereby approved. The Note certificate shall be executed in the name of the City by the Mayor, the Chief Financial Officer and attested to by the City Clerk and the seal of the City affixed thereto.

Section 6. Further Action. Any matter relating to the award, sale or execution of the 2024A Notes which has been delegated by the Ordinance to the Director of Finance/Chief Financial Officer may be performed, and any document authorized by this Resolution may be executed by the Business Administrator or Director of Finance/Chief Financial Officer (collectively, the "Authorized Officers"). On behalf of the City, the Authorized Officers of the City are authorized and directed to take all steps which are necessary or convenient to effectuate the terms of this Resolution with respect to the issuance, sale, execution and delivery of the 2024A Notes, including, but not limited to the execution of all other closing documentation. All such actions heretofore or hereafter taken are hereby ratified, approved and confirmed.

Section 7. Application of Purchase Proceeds. Pursuant to the provisions of the Local Lands and Buildings Law (N.J.S.A. 40A:12-17), if the Finance Building (located at 528-530 Broad Street in the City) is disposed of, any bonds or notes issued to finance the purchase thereof, the whole of such proceeds of such disposal (or the amount necessary to retire such bonds or notes) shall be applied and paid to pay the principal of and interest on such 2024A Notes so as to retire the same at or prior to maturity and the Director of Finance/Chief Financial Officer is hereby authorized and directed to retire such 2024A Notes in accordance therewith.

Section 8. Effective Date. This Resolution shall take effect immediately.

STATEMENT

This Resolution authorizes the issuance and sale of \$5,200,000.00 of the City's General Capital Improvement Bond Anticipation Notes (ECIA Property Acquisition) (Federally Taxable), Series 2024A, approves the distribution of a Preliminary Official Statement and a final Official Statement, approves the form of a Notice of Sale and the distribution thereof containing the terms for the offering and sale of the 2024A Notes and approves the form of a Continuing Disclosure Certificate in connection with the issuance of the 2024A Notes.