



Legislation Details (With Text)

File #: 17-0274 **Version:** 1 **Name:** Ordinance - \$5 million General Capital Ordinance
Type: Ordinance **Status:** Adopted
File created: 2/10/2017 **In control:** Finance
On agenda: 3/7/2017 **Final action:** 3/21/2017
Title: AN ORDINANCE OF THE CITY OF NEWARK (THE "CITY"), IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING FOR IMPROVEMENTS AND UPGRADES TO IRONBOUND FIELD A OF THE CITY AND APPROPRIATING \$5,000,000.00 THEREFOR, AND AUTHORIZING THE ISSUANCE OF \$4,750,000.00 IN BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF.
(PUBLIC HEARING NOTICE FOR MARCH 21, 2017)
Deferred 6PSF-b 031517

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
3/21/2017	1	Municipal Council	Close on Public Hearing and Adopt	Pass
3/15/2017	1	Municipal Council	Defer to a Special Meeting	Pass
3/7/2017	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 IMPROVEMENTS AND UPGRADES TO IRONBOUND FIELD A OF THE CITY AND APPROPRIATING \$5,000,000.00 THEREFOR, AND AUTHORIZING THE ISSUANCE OF \$4,750,000.00 IN BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF.

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BE IT ORDAINED AND ENACTED 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), **AS FOLLOWS:**

Section 1. The improvement or purpose described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the City of Newark, in the County of Essex, New Jersey (the "City"), a a general improvement. For the improvement or purpose described in Section 3 hereof, there is hereby appropriated the sum of \$5,000,000.00, and including the sum of \$250,000.00 as the

amount of down payment for the improvement or purpose as required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payment has been made available by virtue of the provision for down payment or for capital improvement purposes in one or more previously adopted budgets of the City.

Section 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment hereunder, negotiable bonds of the City are hereby authorized to be issued in the principal amount of \$4,750,000.00 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. The improvement hereby authorized and the purpose for which the bonds are to be issued, the estimated cost of such improvement and the appropriation therefor, the maximum amount of bonds or notes to be issued for the improvement and the period of usefulness of the improvement is as follows:

Capital improvements and upgrades to Ironbound Field A, located at St. Charles and Kossuth Streets of the City.

<u>Appropriation and Estimated Cost:</u>	\$5,000,000.00
<u>Maximum Amount of Bonds or Notes:</u>	\$4,750,000.00
<u>Period or Average Period of Usefulness:</u>	15 years
<u>Amount of Down Payment:</u>	\$ 250,000.00

(a) Such project to include all work, remediation, drainage, appurtenances and materials necessary therefor or incidental thereto.

(b) The maximum amount of bonds or notes to be issued for the improvement or purpose is \$4,750,000.00.

(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 and directed 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 and 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, computed on the basis of the respective amounts or obligations authorized for such improvement or purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 15 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 \$4,750,000.00, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$1,000,000.00 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 acquisition of the project 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 the amount not to exceed the amount of bonds or notes authorized in Section 2 hereof.

Section 7. Any grant moneys received for the improvement or purpose described in Section 3

hereof shall be applied either to direct payment of the cost of such improvement or purpose or to payment of the obligations issued pursuant to this bond ordinance and the amount of obligations authorized hereunder shall be reduced to the extent that such funds are so used.

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. 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 City of Newark hereby covenants 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 issued as tax-exempt bonds or notes 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 10. 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

Ordinance providing for general capital improvements for the City of Newark and appropriating \$5,000,000.00 and including \$250,000.00 as the down payment therefore, providing for the issuance of \$4,750,000.00 in general capital improvement bonds or notes of the City of Newark to finance part of the costs for the Ironbound Field A..