



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

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File #: 14-1753, Version: 1

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**Dept/ Agency:** Finance

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

**Type of Service:** Professional Service Contract

**Purpose:** Compliance with continuing disclosure regulations

**Entity Name:** To be determined

**Entity Address:** To be determined

**Contract Amount:** To be determined

**Funding Source:** To be determined

**Contract Period:** To be determined

**Contract Basis:** ( ) Bid ( ) State Vendor ( ) Prof. Ser. ( ) EUS

( ) Fair & Open ( ) No Reportable Contributions ( ) RFP ( ) RFQ

( ) Private Sale ( ) Grant ( ) Sub-recipient (X) n/a

**Additional Information:**

Resolution ratifying and authorizing the undertaking of a continuing disclosure review and authorizing participation in the municipalities continuing disclosure cooperative initiative of the Division of Enforcement of the U.S. Securities and Exchange Commission

Professional Service Contract may be required in the event the City engages a Third-Party Disclosure Dissemination Agent (refer to Clause #1 below).

Finance Department is currently in the process of obtaining three (3) quotes from qualified vendors.

**WHEREAS**, the City of Newark (the "City") has entered into continuing disclosure certificate(s) and/or agreement(s) in connection with certain of its prior bond and/or note issuance(s) (the "Prior Issuances"), agreeing to file certain financial information and operating data and/or certain enumerated event notices with the former nationally recognized municipal securities information repositories or the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the provisions of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"); and

**WHEREAS**, the City has made certain representations regarding its continuing disclosures in bond and note offering documents in connection with its Prior Issuances; and

**WHEREAS**, in response to widespread concerns that many municipal issuers have not been complying with their obligations to file continuing disclosure documents under the Rule, and furthermore have made false representations and/or misstatements concerning compliance in bond and note offering documents, the Division of Enforcement (the "Division") of the U.S. Securities and Exchange Commission (the "Commission") has set forth its Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC Initiative"), attached hereto as Exhibit A, whereby the Commission will recommend favorable settlement terms to municipal issuers involved in the offer or sale of municipal securities, as well as underwriters of such offerings, if they self report to the Division possible violations involving materially inaccurate statements in bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule; and

**WHEREAS**, pursuant the Local Finance Notice 2014-9, attached hereto as Exhibit B, the

Director of the Local Finance Board, Division of Local Government Services of the Department of Community Affairs of the State of New Jersey, has recommended the undertaking of a Review (as hereinafter defined) by all municipal issuers and participation in the MCDC Initiative, where appropriate, as determined by the facts of each Review (the "LFB Recommendation");

**NOW, THEREFORE, (IN CONNECTION WITH THE LFB RECOMMENDATION), BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY as follows:**

1. The Mayor and/or his designee, the Acting Chief Financial Officer and/or through the engagement of a third-party disclosure-dissemination agent, is hereby directed to conduct a continuing disclosure review of its prior continuing disclosure undertakings (the "Review"), and the City hereby ratifies any such previously conducted Review. Such Review shall include, but is not limited to, a historical review of the City's continuing disclosure obligations and filings in connection with its Prior Issuances that are presently outstanding and which are no longer outstanding but, as of the date five years prior to the date of submission of the Questionnaire (as hereinafter defined), were outstanding; and the undertaking, at any time, of any applicable remedial filings with the Municipal Securities Rulemaking Board (MSRB) deemed necessary for compliance with its continuing disclosure obligations.

2. The City, through its Acting Chief Financial Officer, is hereby authorized to participate in the Municipalities Continuing Disclosure Cooperation Initiative (MCDC Initiative), if in the discretion of the Acting Chief Financial Officer after consultation with the Mayor and/or the Assistant Business Administrator, it is determined that the City may have made materially inaccurate statements in its bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule in connection with its Prior Issuances issued during the period beginning five years prior to the date of submission of the Questionnaire.

3. The Mayor and/or his designee the Chief Financial Officer of the City is hereby authorized to execute and deliver any and all documents and instruments, including the Municipalities Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities contained in the MCDC Initiative (the "Questionnaire"), and to do and cause to be done any and all acts and things necessary or proper for participating in the MCDC Initiative and all related transactions, including the Review, contemplated by this resolution.

4. All resolutions or proceedings, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict hereby amended to conform to the authorization provided in this resolution.

### **Statement**

Resolution ratifying and authorizing the undertaking of a continuing disclosure review and authorizing participation in the Municipalities Continuing Disclosure Cooperative Initiative of the Division of Enforcement of the U.S. Securities and Exchange Commission.

### **EXHIBIT A**

EXHIBIT B