



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 15-0307, Version: 1

Dept/ Agency: Finance

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

Purpose: Approving Form of Sale of City-Secured Bonds

Amount to be Financed: \$1,200,000.00

Source of Appropriation: Bonds/Notes

Purchaser: New Jersey Environmental Infrastructure Trust (NJEIT)

Project Information:

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

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN AGREEMENTS TO BE EXECUTED BY THE CITY OF NEWARK, THE JOINT MEETING OF ESSEX AND UNION COUNTIES AND EACH OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT, ALL PURSUANT TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM

Additional Information:

WHEREAS, the City of Newark (the "Local Unit"), in the County of Essex, New Jersey, has determined that there exists a need within the Local Unit to finance its proportionate share of the cost of the acquisition, construction, renovation or installation by the Joint Meeting of Essex and Union Counties (the "Joint Meeting") of the Project (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and among the Local Unit, the Joint Meeting and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and among the Local Unit, the Joint Meeting and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the New Jersey Environmental Infrastructure Trust Financing Program (the "Program"); and

WHEREAS, the Local Unit has determined to finance and refinance the acquisition, construction, renovation or installation of its proportionate share of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively; and

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's Sewer Utility Bonds, Series 2015A to the (the "Trust Loan Bond") and Sewer Utility Bonds, Series 2015B to the State (the "Fund Loan Bond", and together with the Trust Loan Bond, the "Local Unit Bonds") in an aggregate principal amount not to exceed \$1,200,000.00 pursuant to the terms of the Local Bond Law of the State of New Jersey,

constituting Chapter 2 of Title 40A of the Revised Statutes of the State of New Jersey (the "Local Bond Law"), other applicable law and the Loan Agreements; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of the Loans, the issuance of the Local Unit Bonds and the execution and delivery of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the Local Unit and the escrow agent named therein.

NOW, THEREFORE, BE IT RESOLVED BYN THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, AS FOLLOWS:

Section 1. The Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Local Unit by either the Mayor or the Chief Financial Officer in substantially the forms attached hereto as Exhibits A, B and C, respectively, with such changes as the Mayor or the Chief Financial Officer (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Local Unit (collectively, the "Local Unit Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", and together with the Local Unit Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Local Unit Clerk is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Local Unit as determined hereunder and to affix the corporate seal of the Local Unit to such Financing Documents.

Section 2. The Authorized Officers of the Local Unit are hereby further severally authorized to (i) execute and deliver, and the Local Unit Clerk is hereby further authorized to attest to such execution and to affix the corporate seal of the Local Unit to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Local Unit City Clerk, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 3. This resolution shall take effect immediately.

Section 4. Upon the adoption hereof, the Local Unit City Clerk shall forward certified copies of this resolution to GluckWalrath LLP, bond counsel to the Local Unit, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

STATEMENT

Resolution authorizing the execution and delivery of loan agreements to be executed by the City of Newark, the Joint Meeting of Essex and Union Counties and each of the New Jersey Environmental Infrastructure Trust and the State of New Jersey, acting by and through the Department of

Environmental Protection, and further authorizing the execution and delivery of an Escrow Agreement pursuant to the New Jersey Environmental Infrastructure Trust Financing Program.