



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 20-0621, Version: 1

Dept/ Agency: Finance

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

Purpose: Application to Local Finance Board for approval of bond ordinance

Name of Project(s): Bond Refunding

Amount to be Financed: \$123,500,000.00

Funding Source: Bonds

Local Finance Board meeting date(s): July 8, 2020

Project Information:

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

RESOLUTION OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY MAKING APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:2-51 ET SEQ., AND N.J.S.A. 40A:3-1 ET SEQ.

Additional Information:

Refunding will give the City much-needed savings in 2020 and 2021.

WHEREAS, the City of Newark, in the County of Essex, New Jersey (the "City"), desires to make application to the Local Finance Board for its approval of: (i) a current refunding of the outstanding callable Qualified General Improvement Bonds, Series 2010A, Qualified School Bonds, Series 2010C and Qualified Water Utility Bonds, Series 2010D maturing on and after October 1, 2021 on October 1, 2020 (collectively, the "Series 2010 Bonds to be Refunded"); and (ii) the approval of maturity schedules for the three (3) series of refunding bonds related thereto, all pursuant to N.J.S.A. 40A:2-51 et seq., and N.J.S.A. 40A:3-1 et seq., reflecting upfront not less than 3% net present value savings in years 2020 and 2021. The qualification of the general improvement refunding bond ordinance, the water utility refunding bond ordinance and school bond refunding bond ordinance, the maturity schedules therefor and the issuance of qualified bonds pursuant to the provisions of N.J.S.A. 40A:3-1 et seq., specifically N.J.S.A. 40A:3-4 in a forward delivery transaction were previously approved by the Local Finance Board by resolution duly adopted at a meeting held on October 9, 2019 and the Local Finance Board has endorsed its approval and consent upon the three (3) refunding bond ordinances; and

WHEREAS, the City did not consummate the forward delivery transaction for which it previously received LFB approval; and

WHEREAS, the City now desires to undertake a current refunding of the Series 2010 Bonds to be Refunded with upfront not less than 3% present value savings in years 2020 and 2021; and

WHEREAS, the City believes:

(a) it is in the public interest to accomplish such purpose; and

(b) said purpose is for the health, wealth, convenience or betterment of the

inhabitants of the City; and

- (c) the amounts to be expended for said purpose are not unreasonable or exorbitant; and
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the City and will not create an undue financial burden to be placed upon the City.

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

1. The submission of the application to the Local Finance Board pertaining to the above financing and approvals and consents requested is hereby approved, and the Chief Financial Officer, Municipal Advisor, Bond Counsel and the City Clerk, along with other representatives of the City, are each hereby authorized and directed to prepare and submit such application to the Local Finance Board and to represent the City in matters pertaining thereto. The Chief Financial Officer is hereby authorized and directed to execute and deliver the Certification Page included in the Application (as defined below) to the Local Finance Board.
2. The City Clerk is hereby directed to file a certified copy of this resolution with the application to the Local Finance Board requesting its approval and consent as part of such Application.
3. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations, consents, endorsements and/or approvals as provided by the applicable above-referenced New Jersey Statutes.

STATEMENT

Resolution making application to the Local Finance Board for its approval of a current refunding of the outstanding callable Qualified General Improvement Bonds, Series 2010A, Qualified School Bonds, Series 2010C and Qualified Water Utility Bonds, Series 2010D maturing on and after October 1, 2021 on October 1, 2020.