

ORDINANCE NO. 12 of 2014

A BOND ORDINANCE APPROPRIATING SIX HUNDRED THIRTY-EIGHT THOUSAND DOLLARS (\$638,000) AND AUTHORIZING THE ISSUANCE OF SIX HUNDRED SIX THOUSAND DOLLARS (\$606,000) IN BONDS OR NOTES OF THE CITY OF LINWOOD FOR DEMOLITION OF POPLAR AVENUE SCHOOL AND RELATED IMPROVEMENTS AUTHORIZED TO BE UNDERTAKEN BY THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

Section 1. Appropriation for Project-Down Payment.

The demolition of Poplar Avenue School and related improvements described in Section 3 of this bond ordinance are hereby respectively authorized as a general improvement to be made or acquired by the City of Linwood, in the County of Atlantic, New Jersey (the "City"). For the said improvement or purpose stated in Section 3, there is hereby appropriated the sum of money therein stated as the apportionment made for said improvement or purpose, said sum being inclusive of all appropriations heretofore made therefor and amounting in the aggregate to SIX HUNDRED THIRTY-EIGHT THOUSAND DOLLARS (\$638,000), including the aggregate sum of THIRTY-TWO THOUSAND DOLLARS (\$32,000) as the down payment for said improvement or purpose as required pursuant to N.J.S.A. 40A:2-11 and more particularly described in Section 3 and now available by virtue of provision in a previously adopted budget or budgets of the City for down payment for capital improvement purposes, and including also monies received or expected to be received from the United States of America, the State of New Jersey or the County of Atlantic, or agencies thereof, as grants in aid of financing said improvement or purpose.

Section 2. Authorization of Bonds.

For the financing of said improvement or purpose and to meet the part of said SIX HUNDRED THIRTY-EIGHT THOUSAND DOLLARS (\$638,000) in appropriation not provided for by application hereunder of said down payment, negotiable bonds of the City are hereby authorized to be issued in the principal amount of SIX HUNDRED THIRTY-EIGHT THOUSAND DOLLARS (\$638,000) pursuant to the Local Bond Law of New Jersey (the “Local Bond Law”). In anticipation of the issuance of said bonds and to temporarily finance said improvement or purpose, negotiable notes of the City in a principal amount not exceeding SIX HUNDRED SIX THOUSAND DOLLARS (\$606,000) are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. Description of Projects.

The improvement hereby authorized and the purpose for the financing of which said obligation is to be issued, the appropriation made for and estimated cost of such purpose, and the estimated maximum amount of bonds or notes to be issued for such purpose, is as follows:

IMPROVEMENT OR PURPOSE	APPROPRIATION AND ESTIMATED COST	ESTIMATED MAXIMUM AMOUNT OF BONDS AND NOTES
Poplar Avenue School Demolition and related improvements, including the costs of surveying, construction planning, architectural, engineering, environmental preparation of plans and specifications, permits, bid documents and construction inspection and administration.	\$638,000	\$606,000
TOTAL	<u>\$638,000</u>	<u>\$606,000</u>

The excess of the appropriation made for the improvement aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the said down payment for said purpose.

Section 4. Authorized of Notes.

In anticipation of the issuance of said bonds and to temporarily finance said improvement, negotiable notes of the City in a principal amount equal to the said principal of bonds not exceeding SIX HUNDRED SIX THOUSAND DOLLARS (\$606,000) is hereby authorized to be issued pursuant to the limitations prescribed by the Local Bond Law. All such note(s) shall mature at such time as may be determined by the Chief Financial Officer or such other Financial Officer designated by Resolution for these purposes (both being hereinafter referred to in this Section as Chief Financial Officer); provided that no note shall mature later than one (1) year from its issue date. Such note(s) shall bear interest at a rate or rates and shall be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with any note(s) issued pursuant to this Ordinance, and the signature of the Chief Financial Officer upon such note(s) shall be conclusive evidence as to all such determinations. The Chief Financial Officer is hereby authorized to sell the note(s) from time to time at public or private sale in such amounts as he may determine and not less than par, and to deliver the same from time to time to the purchasers thereof upon receipt of the purchase price plus accrued interest from their dates to the date of delivery thereof as payment thereof. Such Chief Financial Officer is authorized and directed to report in writing to the Mayor and the Council of the City at the meeting next succeeding the date when any sale or delivery of the note(s) pursuant to this Ordinance is made. Such report shall include the amount, the description, the interest rate, the maturity schedule of the note(s) sold, price obtained and the

name of the purchaser. All note(s) issued hereunder may be renewed from time to time for periods not exceeding one (1) year for the time period specified in and in accordance with the provisions and limitations of N.J.S.A. 40A:2-8(a) of the Local Bond Law.

The Chief Financial Officer is further directed to determine all matters in connection with said note or notes and not determined by this Ordinance. The signature of the Chief Financial Officer upon said note(s) shall be conclusive evidence of such determination.

Section 5. Capital Budget.

The capital budget of the City of Linwood is hereby amended to conform with the provisions of this bond ordinance. The resolution in the form promulgated by the Local Finance Board showing full detail of the capital budget and capital program is on the file with the Clerk and is available there for public inspection.

Section 6. Additional Matters.

The following additional matters are hereby determined, declared, recited and stated:

(a) The said purpose described in Section 3 of this bond ordinance is not a current expense and is a property or improvement which the City may lawfully acquire or make 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 average period of usefulness of said purpose within the limitations of the Local Bond Law and taking into consideration the amount of said obligation authorized for said purpose, according to the reasonable life thereof computed from the date of said bonds authorized by this bond ordinance, is **15 years**.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the office of the City Clerk and a complete executed copy thereof has been

electronically 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, and 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 for in this bond ordinance by SIX HUNDRED SIX THOUSAND DOLLARS (\$606,000), and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by the Local Bond Law.

(d) Amounts not exceeding TWENTY THOUSAND DOLLARS (\$20,000) in the aggregate for interest on said obligations, costs of issuing said obligations, engineering and inspection costs, legal expenses, a reasonable proportion of the compensation and expenses of employees of the City in connection with the construction or acquisition of such improvements and properties as authorized herein, and other items of expense listed in and permitted under Section 40A:2-20 of the Local Bond Law have been included as part of the costs of said improvements and are included in the foregoing estimate thereof.

Section 7. Ratification of Prior Actions.

Any actions taken by any officials of the City in connection with the improvement described in Section 3 hereof are hereby ratified and confirmed notwithstanding that such actions may have been taken prior to the effective date of this bond ordinance and shall be deemed to have been taken pursuant to this bond ordinance.

Section 8. Application of Grants.

Any grant moneys received for the purpose described in Section 3 hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9. Full Faith and Credit.

The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on the said obligations authorized by this bond ordinance. Said obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of said obligations and interest thereon without limitation of rate or amount.

Section 10. Official Intent to Reimburse Expenditures.

The City reasonably expects to reimburse any expenditures towards the costs of the improvement or purpose described in Section 3 of this Bond Ordinance and paid prior to the issuance of any bonds or notes authorized by this Bond Ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein has been or is reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the City, or any member of the same “control group” as the City, within the meaning of Treasury Regulations Section 1.150-1(f), pursuant to their budget or financial policies with respect to any expenditures to be reimbursed. This Section is intended to be and hereby is a declaration of the City’s official intent to reimburse any expenditures towards the costs of the improvement or purpose described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations Section 1.103-18, and no action (or inaction) will be an artifice or device in accordance with Treasury Regulation Section yield restrictions or arbitrage rebate requirements.

Section 11. Effective Date.

This bond ordinance shall take effect twenty (20) days after the first publication of a summary thereof after final adoption, as provided by the Local Bond Law.

RICHARD L. DEPAMPHILIS, III, MAYOR

Leigh Ann Napoli, RMC, Municipal Clerk

FIRST READING:	June 11, 2014
PUBLICATION:	June 16, 2014
FINAL READING:	June 25, 2014
PUBLICATION WITH STATEMENT:	June 30, 2014

NOTICE OF PENDING BOND ORDINANCE AND SUMMARY

The Bond Ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the governing body of the City of Linwood, in the County of Atlantic, State of New Jersey, held on June 11, 2014, at the Linwood City Hall. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held on June 25, 2014, at 6:00 o'clock p.m. at the Linwood City Hall. During the week prior to and up to and including the date of such meeting, copies of the full ordinance will be available at no cost and during regular business hours, at the Clerk's office located in the City Hall, 400 Poplar Avenue, Linwood, New Jersey for the members of the general public who shall request the same. The summary of the terms of such Bond Ordinance follows:

Title: "BOND ORDINANCE APPROPRIATING SIX HUNDRED THIRTY-EIGHT THOUSAND DOLLARS (\$638,000) AND AUTHORIZING THE ISSUANCE OF SIX HUNDRED SIX THOUSAND DOLLARS (\$606,000) IN BONDS OR NOTES OF THE CITY OF LINWOOD FOR DEMOLITION OF POPLAR AVENUE SCHOOL AND RELATED IMPROVEMENTS AUTHORIZED TO BE UNDERTAKEN BY THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY"

Purpose(s): Demolition of Poplar Avenue School and related improvements
Appropriation: \$638,000
Bonds/Notes Authorized: \$606,000
Grants (if any) Appropriated: None
Section 20 Costs: \$20,000
Useful Life: 15 years

Leigh Ann Napoli, RMC, Municipal Clerk

This Notice is published pursuant to N.J.S.A. 40A:2-17.

BOND ORDINANCE STATEMENTS AND SUMMARY

The Bond Ordinance, the summary terms of which are included herein, has been finally adopted by the City of Linwood, in the County of Atlantic, State of New Jersey on June 25, 2014, and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement. Copies of the full ordinance are available at no cost and during regular business hours, at the Clerk's office for members of the general public who request the same. The summary of the terms of such Bond Ordinance follows:

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