

**BOROUGH OF WOODBINE
COUNTY OF CAPE MAY**

ORDINANCE NO. 560- 2017

BOND ORDINANCE APPROPRIATING THE SUM OF \$365,000 TO SATISFY THE OUTSTANDING DEBT OBLIGATIONS OF THE WOODBINE PORT AUTHORITY IN CONJUNCTION WITH THE DISSOLUTION OF THE WOODBINE PORT AUTHORITY AND AUTHORIZING THE ISSUANCE OF UP TO \$365,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OR NOTES OF THE BOROUGH OF WOODBINE, COUNTY OF CAPE MAY, NEW JERSEY TO FINANCE THE REPAYMENT OF SUCH OBLIGATIONS

WHEREAS, pursuant to Ordinance No. 558-2016 (the “**Dissolution Ordinance**”), and consistent with the provisions of the Local Authorities Fiscal Control Law (the “**Authorities Control Law**”), specifically N.J.S.A. 40A:5A-20, the Borough of Woodbine, in the County of Cape May, New Jersey (the “**Borough**”) has determined to dissolve the Woodbine Port Authority (“**WPA**”); and

WHEREAS, as part of the dissolution of the WPA the Borough desires, in addition to assuming responsibility for the payment of all creditors or obligees of the WPA and for all services provided by the WPA deemed necessary for the health, safety and welfare of the recipients of such services, to assume any outstanding debt obligations of the WPA as provided in the Dissolution Ordinance; and

WHEREAS, in 2012, the WPA issued refunding bonds in the original principal amount of \$535,000 (the “**Debt Obligations**”) for the purposes of refunding two (2) notes of the WPA dated December 21, 2000, in the original principal amount of \$418,500 each, payable to Atlantic City Showboat, Inc. and Marina Associates, respectively; and

WHEREAS, the Debt Obligations have an outstanding principal balance as of December 31, 2016 in the amount of \$345,000; and

WHEREAS, the Borough will establish a Department of Airport Utility as part of the Borough to undertake the powers, functions and responsibilities of the WPA; and

WHEREAS, the Borough Council of the Borough desires to appropriate such funds by this Bond Ordinance as may be required to satisfy the outstanding principal balance of the Debt Obligations and to provide authorization to the Borough for the issuance of such bonds and/or notes as may be needed for such purpose in furtherance of the dissolution of the WPA.

BE IT ORDAINED BY THE COUNCIL OF THE BOROUGH OF WOODBINE, IN THE COUNTY OF CAPE MAY, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), as follows:

Section 1. Appropriation for Debt Obligations-No Down Payment Required

In accordance with the Dissolution Ordinance and N.J.S.A. 40A:5A-20, the Borough of Woodbine, in the County of Cape May, New Jersey hereby appropriates the sum of THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$365,000) to assume the responsibility for payment of the Debt Obligations. In accordance with N.J.S.A. 40A:5A-20, no down payment is required for this appropriation since the improvements being acquired by the Borough as a result of the dissolution of the WPA will, when operated by the Borough, be deemed a self-liquidating utility as approved by the Local Finance Board and, as provided in N.J.S.A. 40A:5A-20, the obligations authorized herein are deductible from the gross debt of the Borough as more fully described herein.

Section 2. Authorization of Bonds and Notes

If necessary to finance all or part of the Debt Obligations, the Borough is hereby authorized to issue up to a maximum principal amount of THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$365,000) in bonds of the Borough pursuant to the Local Bond Law of the State of New Jersey (the "Local Bond Law"), the Authorities Control Law and any other law applicable thereto. The bonds of the Borough shall be sold at public or private sale by resolution of the Borough Council setting forth the details thereof or in such manner as otherwise provided by the Local Finance Board consistent with N.J.S.A. 40A:5A-20.

Section 3. Bond Anticipation Notes

In anticipation of the issuance of said bonds, negotiable notes of the Borough in a principal amount not exceeding THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$365,000) are hereby authorized to be issued pursuant to the limitations prescribed by the Local Bond Law. All such note(s) shall mature at such times 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 the Chief Financial Officer 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. Such Chief Financial Officer is authorized and directed to report in writing to the Mayor and the Council of the Borough 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 Chief Financial Officer's signature upon said note(s) shall be conclusive evidence of such determination.

Section 4. Capital Budget

The capital budget of the Borough 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 5. Additional Matters

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

(a) The said improvements being acquired by the Borough as a result of the dissolution of the WPA are not considered current expenses and are improvements or purposes that the Borough may lawfully undertake as a self-liquidating purpose of a municipal public utility. No part of the cost thereof has been or shall be specifically assessed on property specifically benefited thereby.

(b) The period of usefulness of said purposes authorized herein as determined in accordance with the Local Bond Law is **6 years**.

(c) The supplemental debt statement required by the Local Bond Law has been duly prepared and filed in the office of the Borough Clerk and a complete duplicate 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. Such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$365,000), but that the net debt of the Borough determined as provided in the Local Bond Law is not increased by this bond ordinance. The said obligations authorized by this bond ordinance will be within the 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, architectural, engineering and inspection costs, legal expenses, a reasonable proportion of the compensation and expenses of employees of the City in connection with the acquisition of such improvement and property 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

improvement and are included in the foregoing estimate thereof.

Section 6. Ratification of Prior Actions

Any action taken by any officials of the Borough in connection with the dissolution of the WPA and the acquisition of the improvements being acquired by the Borough as a result of the dissolution 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 7. Filing of Ordinance

In accordance with Section 40A:2-55 of the Local Bond Law, a certified copy of this Ordinance shall be filed before final passage thereof with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey, together with a complete statement in the form prescribed by the Director as required by Section 40A:2-55 of the Local Bond Law, executed by the Chief Financial Officer of the Borough.

Section 8. Full Faith and Credit

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

Section 9. Effective Date

As provided in N.J.S.A. 40A:5A-20, this bond ordinance shall take effect immediately after final adoption and publication and shall not be subject to referendum.

WILLIAM PIKOLYCKY, MAYOR

ATTEST:

LISA GARRISON, CLERK

INTRODUCED: JANUARY 12, 2017
PUBLICATION: JANUARY 18, 2017
ADOPTED: JANUARY 26, 2017

PUBLICATION: FEBRUARY 1, 2017

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 Borough of Woodbine, in the County of Cape May, State of New Jersey, held on January __, 2017, at the Woodbine Municipal Building. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held on February __, 2017, at 7:00 o'clock p.m. held at the Woodbine Municipal Building. 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 Borough Clerk's Office located in the Municipal Building, 501 Washington Avenue, Woodbine, 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 THE SUM OF \$365,000 TO SATISFY THE OUTSTANDING DEBT OBLIGATIONS OF THE WOODBINE PORT AUTHORITY IN CONJUNCTION WITH THE DISSOLUTION OF THE WOODBINE PORT AUTHORITY AND AUTHORIZING THE ISSUANCE OF UP TO \$365,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OR NOTES OF THE BOROUGH OF WOODBINE, COUNTY OF CAPE MAY, NEW JERSEY TO FINANCE THE REPAYMENT OF SUCH OBLIGATIONS"

Purpose(s): Appropriate Funds to Satisfy Outstanding Debt Obligations of Woodbine Port Authority

Appropriation: \$365,000.00

Bonds/Notes Authorized: \$365,000.00
Grants (if any) Appropriated: None
Section 20 Costs: \$20,000
Useful Life: 6 years

Lisa Garrison, Borough Clerk

This Notice is published pursuant to N.J.S.A. 40A:5A-20.

BOND ORDINANCE STATEMENTS AND SUMMARY

The Bond Ordinance, the summary terms of which are included herein, has been finally adopted by the Borough of Woodbine, in the County of Cape May, State of New Jersey on February __, 2017, and such Bond Ordinance shall be effective immediately upon publication thereof and shall not be subject to referendum. 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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