

Resolution No. 2016-20

A RESOLUTION TO REQUEST A FUNDING COMMITMENT FROM THE TRUSTEES OF NEW CASTLE COMMON TO SUPPORT LONG-TERM OBLIGATIONS TO SUPPORT DELAWARE STREET IMPROVEMENTS

WHEREAS, the City is preparing its FY 2016-17 budget and needs to project and fund capital improvements based on available funds from multiple sources; and

WHEREAS, the City has identified the need for long-term funding to support Delaware Street infrastructure improvements that are estimated to cost up to \$1 million dollars; and

WHEREAS, the Trustees of New Castle Common (the "Trust") have supported and funded similar capital improvement projects previously, including most recently the ARA storm drainage project, and have expressed preference for providing this type of financial support to the City; and

WHEREAS, the City would like to procure long-term funds via loan or bond issue, or other instrument consistent with the borrowing powers as outlined in the Charter, Sections 20 and 21; and

WHEREAS, per City Charter, the Council has the power to borrow upon the full faith and credit of the City a sum not to exceed one and two-tenths percent (1.2%) of total assessed value of the real estate in said City in principal amount outstanding at any one time, for capital expenditures, pursuant to a resolution following public hearing, passed by a two-thirds majority of all members of Council, and give its obligation thereof, subject to a twenty percent (20%) borrowing limitation set forth in Section 21(b) of the Charter; and

RESOVLED, THEREFORE, that the City Council of The City of New Castle respectfully requests a firm commitment from the Trust to provide funding equal to no more than \$50,000/quarter, or \$200,000 annually to service principal and interest payments on bond or other indebtedness and to pay for related closing costs, the term and interest rate of such indebtedness to be determined, for the purpose of funding Delaware Street infrastructure improvements, with such funding to begin on or about **April 1, 2017**. The amounts and final terms of such funding shall be subject to approval by the Trust and subsequently City Council.

PASSED this 10th day of May, 2016.

Linda Ratchford, City Council President

John A. Di Mondì, Councilperson

Albert J. Vannucci, Jr., Councilperson

Theodore H. Megginson, Councilperson

Teel Petty, Councilperson

Attest:

Janet E. Wurtzel, City Clerk