

Garage Under Park in Newark Gets Fiscal Backing of 4 Banks

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NEWARK, June 27—Plans for Newark's underground parking garage in the downtown section moved into their final stages today after thirty years of discussion.

Pasqual Guerrieri, chairman of the Newark Parking Authority, announced that four local banks would finance the construction of the 1,000-car facility, which is expected to cost more than \$5,000,000. The garage will be under Military Park.

The Fidelity Union Trust Company, the National Newark and Essex Banking Company and the National State Bank have each agreed to purchase \$1,680,000 in temporary bonds issued by the parking authority. The Bank of Commerce will purchase \$560,000. The bonds will be due July 1, 1961, and will bear 3 per cent interest.

Principal and interest will be guaranteed by the City of Newark and will be callable at any

time on ten days' notice. Mr. Guerrieri explained that the callable feature would enable the authority, if it so desired, to sell long-term bonds to repay the banks during the two-year period.

Bids for the three-level garage have been submitted and studied. According to the parking authority chairman, contracts will be awarded within the next two weeks. Construction is expected to start early in August.

Mr. Guerrieri predicted that the garage would be completed in fifteen or eighteen months. Planned as a self-liquidating facility, it is expected to produce an annual income, after all operating expenses, of \$400,000. Annual debt service costs have been estimated at \$315,000 to \$325,000 each year. The facilities would be leased to a private concern.

The park is bounded by Broad Street, Park Place and Rector Street. It is a triangular plot of 5.9 acres, but only 3.3 acres would be used for the garage.

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