

**BOROUGH OF FREEHOLD  
COUNTY OF MONMOUTH  
NO. 2016/4**

**ORDINANCE AMENDING CHAPTER 18.06  
SPECIAL IMPROVEMENT DISTRICT AND DESIGNATION OF A DISTRICT  
MANAGEMENT CORPORATION**

**WHEREAS**, the Land Use Committee of the governing body has reviewed the Special Improvement District and its District Management Corporation and has recommended certain changes to better carry out the intent and purpose of the creation and continuation of the Special Improvement District; and

**WHEREAS**, the governing body has reviewed the recommendations and concurs that the proposed changes will serve to improve the Special Improvement District and promote the goals and objectives thereof.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the Borough of Freehold that Chapter 18.06 is hereby amended and supplemented as follows:

**SECTION 1**

**Chapter 18.06.060 The designated district management corporation.**

*A. No change.*

B. i). In order to receive any funds or exercise any of the powers granted herein, the board of trustees/directors of the Freehold Center Management Corporation ("Management Corporation"), trading as Freehold Center Partnership and/or Downtown Freehold shall include as voting members the mayor or a designee named by the mayor and a member of the borough council as selected by the council.

ii)(a). Membership in the Management Corporation shall be open to all property owners and business operators located within the defined area.

ii)(b). The board of trustees/directors may include up to three (3) residents nominated by the board of trustees/directors.

ii)(c). The board of trustees/directors shall include a representative/designee of the Board of Chosen Freeholders as a non-voting member.

ii)(d). Representatives/designees of non-profit organizations may be non-voting members of the Management Corporation.

ii)(e). Residents of Freehold Borough may participate in the Management Corporation in a non-voting capacity.

ii)(f). Other than as specifically set forth herein, non-residents who are not property or business owners within the defined area may not be voting or non-voting members of the Management Corporation.

C. Elections for the Board of Directors shall take place annually at the annual meeting.

i). Notice of the election shall be made by posting on the Borough and Management Corporation website and by mailing to all property owners and registered business operators in the defined area at least fourteen (14) calendar days prior to the election. The Borough Clerk shall send out the notices at the expense of the Management Corporation. The Management Corporation and the Borough Clerk shall confer and approve the list of eligible business owners.

ii). Voting shall take place at Borough Hall between the hours of 8:30 a.m. to 4:30 p.m. on the two business days prior to the annual meeting and on the day of the annual meeting between the hours of 8:30 a.m. to 4:30 p.m. and 5:30 p.m. to 6:30 p.m.

iii). Voting may be in person or by vote by mail. Forms of vote by mail ballots shall be available from the office of the Borough Clerk at least 21 days prior to the election and shall be received by the Borough Clerk no later than 6:30 p.m. on the day of the election. No vote by mail ballots shall be issued unless the recipient has been verified by the Clerk as an eligible voter. Each vote by mail ballot shall be numbered sequentially and the Clerk shall record the name of the recipient of each ballot and the assigned ballot number. Votes will be tallied by the Borough Clerk or the Clerk's designee.

iv. Every property owner in the designated area will be entitled to one (1) vote, regardless of the number of properties owned.

v. Every business owner in the designated area will be entitled to one (1) vote, regardless of the number of businesses owned.

D. The Freehold Center Management Corporation shall file with the Borough Clerk a certified copy of the adopted bylaws of the corporation, which shall be in substantial conformity with the terms of this ordinance and which shall be subject to the approval of the governing body. The Freehold Center Management Corporation shall have the right to amend its bylaws from time to time provided that they remain in substantial conformity to the terms of the enabling ordinance and subject to the approval of the governing body.

## **SECTION 2**

### **Chapter 18.06.090 Fiscal requirements, annual report, audit**

A. Moneys appropriated and collected for the annual costs of operating and maintaining a special improvement district shall be credited to a special account. The mayor and council may incur the annual costs of improving, operating, and maintaining a special improvement district during any fiscal year though not specifically provided for by line item or other category in an approved estimate for such fiscal year, if in its discretion it shall be deemed necessary to provide for such annual improvements or operation or maintenance prior to the succeeding fiscal year, and so long as the total amount of the account as approved for that year is not exceeded by that expenditure. Any balances to the credit of the account and remaining unexpended at the end of the fiscal year shall be conserved and applied towards the financial requirements of the succeeding year.

The mayor and council may retain a portion of the collected special assessment proceeds to offset the direct costs incurred in the required assessment and budget processes.

The mayor and council shall pay over the funds collected to the management corporation quarterly on the first day of March, June, September and December of each year.

B. The District Management Corporation shall, within thirty days after the close of each fiscal year, provide an annual activity and finance report to the governing body detailing the activities undertaken by the Corporation for the previous year, the costs and expenses for same and how the activities further the goals and objectives of the special improvement district. The report shall be presented by the Management Corporation to the governing body at a regular council meeting within thirty (30) days after the close of each fiscal year.

C. The District Management Corporation shall, at its own expense, cause an annual certified audit of its books, accounts and financial transactions to be conducted in accordance with generally accepted government auditing standards and filed with the mayor and council. For that purpose, the Corporation shall employ a certified public accountant with experience performing municipal or government audits. The audit shall embrace the books, accounts and transactions of the Corporation and shall include a verification of all cash and bank balances as of the date of the audit.

The audit report will set forth instances or practices which violate statute or sound financial practice and make recommendations for changes in procedures.

The annual audit shall be completed and filed with the governing body within six months after the close of the fiscal year of the corporation.

In the event the audit is not performed in accordance with the requirements of this chapter, Freehold Borough reserves the right to have an

independent audit conducted by a certified public accountant at the expense of the Special Improvement District.

### SECTION 3

If any part of this Ordinance shall be deemed invalid such part shall be deemed severable and the invalidity thereof shall not affect the remaining part of this Ordinance.

### SECTION 4

Any Ordinance or portions thereof which are inconsistent with the provisions of this Ordinance are hereby repealed and superseded.

### SECTION 5

This Ordinance shall take effect on upon final passage and publication in accordance with Law.

Offered By: Schnurr

Seconded By: Kane

Roll Call:

Ayes: DiBenedetto, Griffiths, Kane, Schnurr, Shutzer  
Nays: None  
Absent: Sims  
Abstain: None

NOTICE IS HEREBY GIVEN that Ordinance #2016/4 was introduced at a meeting of the Freehold Borough Council in the County of Monmouth, New Jersey, held on May 2, 2016 and passed on first reading and that such Ordinance will be further considered for final passage after public hearing at a meeting of said Mayor and Council to be held at the Municipal Building, 51 West Main Street in said Borough on May 16, 2016 at 7:00 PM or at any meeting to which that meeting may be adjourned, at which time all persons who may be interested therein will be given an opportunity to be heard.

  
TRACI L. DI BENEDETTO  
BOROUGH CLERK

4/19/16