

BOROUGH OF RED BANK, NEW JERSEY

ORDINANCE NO. 2014-21

REFUNDING BOND ORDINANCE PROVIDING FUNDS FOR TAX REFUND PAYMENTS OF AMOUNTS DUE AND OWING TO THE OWNERS OF CERTAIN PROPERTIES IN THE BOROUGH; AUTHORIZING THE ISSUANCE OF UP TO \$675,000 OF GENERAL OBLIGATION TAX REFUNDING BONDS OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH, NEW JERSEY, TO FINANCE THE COSTS THEREOF; MAKING CERTAIN DETERMINATIONS AND COVENANTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING

BACKGROUND

Councilman DuPont offered the following ordinance and moved its adoption on final reading:

WHEREAS, the Borough of Red Bank, County of Monmouth, New Jersey ("Borough") has been a party to litigation regarding real estate tax appeals concerning certain properties located in the Borough; and

WHEREAS, the Borough has recently resolved certain tax appeals, requiring the Borough to refund, in cash, approximately \$659,166.94 to the affected property owners; and

WHEREAS, the Borough has heretofore adopted a Temporary Emergency Appropriation Resolution ("Resolution") thereby appropriating funds to pay the amounts due and owing to affected property owners; and

WHEREAS, the Borough is desirous of adopting a refunding bond ordinance to authorize the issuance of tax appeal refunding notes in the principal amount of up to \$675,000, which amount is required to fund the temporary emergency appropriations created by the Resolution.

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), PURSUANT TO THE PROVISIONS OF THE LOCAL BOND LAW, CHAPTER 169 OF THE LAWS OF 1960 OF THE STATE OF NEW JERSEY, AS AMENDED AND SUPPLEMENTED ("LOCAL BOND LAW"), AS FOLLOWS:

Section 1. The Borough is hereby authorized to pay and there is hereby appropriated an amount not to exceed \$675,000 for the purpose of: (i) funding the temporary emergency appropriations used to make tax refund payments to the property owners identified in Exhibit "A", attached hereto and made a part hereof, together with any accrued interest; and (ii) paying the costs of issuance with respect to the Refunding Bonds authorized below (collectively, the "Tax Appeal Refunding Project").

Section 2. To finance the cost of the Tax Appeal Refunding Project authorized in Section 1 hereof, negotiable general obligation tax refunding bonds and/or notes of the Borough, in one (1) or more series, are hereby authorized to be issued in an aggregate principal amount not to exceed \$675,000 (collectively, the "Refunding Bonds"), pursuant to the Local Bond Law. The exact principal amount of Refunding Bonds to be issued and terms thereof shall be determined pursuant to a resolution adopted by the Borough Council by not less than two-thirds of all the

members thereof.

Section 3. An aggregate amount not exceeding \$15,833.06 for the items of expense listed in and permitted by Section 51.b. of the Local Bond Law, N.J.S.A. 40A:2-51.b., has been included in the aggregate principal amount of the Refunding Bonds authorized herein.

Section 4. The purpose of the Refunding Bonds is to fund the Tax Appeal Refunding Project set forth in Section 1 hereof.

Section 5. Each Refunding Bond authorized herein shall be designated, substantially, "Borough of Red Bank, County of Monmouth, New Jersey, General Obligation Tax Refunding Bond, Series 20__" and shall be in the form prescribed and permitted by the Local Bond Law, as Bond Counsel may advise, and as the Borough shall approve.

Section 6. The Refunding Bonds may be sold at public or private sale pursuant to a resolution of the Borough Council adopted by not less than two-thirds of the full members thereof.

Section 7. A certified copy of this refunding bond ordinance as adopted on first reading has been filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the Chief Financial Officer of the Borough as to the outstanding indebtedness to be refunded by the issuance of Refunding Bonds.

Section 8. This refunding bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law, provided that the consent of the Local Finance Board has been endorsed upon a certified copy of this refunding bond ordinance as finally adopted.

Seconded by Councilwoman Lewis and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Councilman Murphy	(x)	()	()	()
Councilwoman Burnham	()	()	(x)	()
Councilwoman Horgan	(x)	()	()	()
Councilwoman Lewis	(x)	()	()	()
Councilman Zipprich	(x)	()	()	()
Councilman DuPont	(x)	()	()	()

Dated: November 24, 2014