

## ORDINANCE 7-2013

### ORDINANCE OF THE BOROUGH OF MADISON AMENDING ORDINANCE 4-2004 WHICH ESTABLISHED THE MUNICIPAL OPEN SPACE, RECREATION AND HISTORIC PRESERVATION TRUST FUND

**WHEREAS**, the voters of the Borough of Madison, in the County of Morris, State of New Jersey, approved a referendum on November 4, 2003 which recommended to the Borough Council the establishment of a Municipal Open Space, Recreation and Historic Preservation Trust Fund (hereinafter referred to as the "Open Space Trust Fund") to finance the acquisition and preservation of lands and easements for open space; active and passive recreation; preservation of natural resources, including water supplies; and historic preservation; and

**WHEREAS**, the Madison Borough Council adopted Ordinance 4-2004 on February 9, 2004 which established the Open Space Trust Fund; and

**WHEREAS**, Ordinance 4-2004 codified in part as Article 132-3(B) of the Borough Code established the formula to fund the Open Space Trust Fund through the collection of an amount of two cents (\$0.02) per One Hundred Dollars (\$100.00) of assessed valuation of each annual Borough property tax levy; and

**WHEREAS**, effective January 1, 2013, the Borough of Madison implemented a revaluation of all real property pursuant to an Order from the Morris County Board of Taxation; and

**WHEREAS**, the cumulative assessed valuation of all real property increased from \$2,080,611,829 to \$3,382,032,100 effective January 1, 2013 as a result of the revaluation; and

**WHEREAS**, due to the increase in assessed valuation, the Open Space tax obligation for each property owner will increase as a result of the revaluation unless the formula is changed; and

**WHEREAS**, the Open Space Tax revenues are needed to service the outstanding bonded indebtedness for the Madison Recreation Center (MRC) land acquisition and the development of two artificial turf fields and support facilities on site; and

**WHEREAS**, additional Open Space tax revenues are needed to complete projects at the Madison Recreation Center (MRC) site and improvements at the Bayley-Ellard recreational fields and maintain a funding stream to finance the acquisition and preservation of lands and easements for open space; active and passive recreation; preservation of natural resources, including water supplies; and historic preservation; and

**WHEREAS**, there is a \$3,263,000 Bond Anticipation Note outstanding for the MRC turf field improvements and a \$4,480,000 Bond Anticipation Note outstanding for the MRC land acquisition; and

**WHEREAS**, it is anticipated that two Green Acres grants will be disbursed in 2013 and be available to reduce the outstanding MRC land acquisition Note balance to 2,888,000; and

**WHEREAS**, the Madison Athletic Foundation (MAF) will endeavor to raise \$934,301 to reduce the outstanding MRC turf fields improvement Note in equal installments over the next five years; and

**WHEREAS**, approximately \$464,566 will be needed in Open Space tax revenues to pay the initial annual debt service and bond issuance costs; and

**WHEREAS**, approximately an additional \$200,000 annually in Open Space tax revenue is required to establish a debt service reserve and fund additional eligible activities authorized by the approved public referendum and Ordinance 4-2004.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Borough of Madison, in the County of Morris and State of New Jersey, that the 2013 Open Space tax formula is reduced from \$0.02 cents per One Hundred Dollars (\$100.00) of assessed valuation to \$0.018 cents per One Hundred Dollars (\$100.00) of assessed valuation to be effective for the third and fourth tax quarters of 2013 and the first and second tax quarters of 2014.

ADOPTED AND APPROVED  
April 22, 2013

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ROBERT H. CONLEY, Mayor

Attest:

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ELIZABETH OSBORNE, Borough Clerk:

Introduced and passed: April 8, 2013

Published, Madison Eagle: April 11, 2013

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