

**AMENDED AND RESTATED BY-LAWS
OF
THE RED BANK SPECIAL IMPROVEMENT DISTRICT**

Adopted: As of December 2, 2002

ARTICLE I

SECTION 1.01 - **OFFICES.** The principle office of the corporation shall be located at such location or locations in Red Bank, New Jersey, as the Board of Directors may hereafter designate.

ARTICLE II

SECTION 2.01 - **PURPOSES.** The corporation shall:

1. Serve the assessed members of the special improvement district and the Borough government to formulate, promote and implement the economic revitalization and general welfare of the special improvement district in the Borough of Red Bank;
2. Mobilize available public and private resources of the Borough for this purpose;
3. Provide a self-help mechanism by which relevant business interests – service firms, restaurants, retail establishment, property owners, employers, lenders, and others – can cooperate to expand business opportunities, sales, employment, consumer choices and shoppers' facilities.

SECTION 2.02 - **DISSOLUTION.** In the event of dissolution of the corporation, all of its assets, after satisfying any creditors, shall be transferred and assigned to the Borough of Red Bank, New Jersey.

SECTION 2.03 - **MEMBERSHIP.** There shall be thirty (30) members of the corporation.

ARTICLE III

SECTION 3.01 - **BOARD OF DIRECTORS.** The policies, activities and affairs of the corporation shall be determined and managed by the Board of Directors who shall exercise all the powers of the corporation and shall keep full and fair accounts of all of its transactions, formulate and approve the yearly budget of the corporation.

SECTION 3.02 - **TERM OF OFFICE.** The Board of Directors shall consist of thirty (30) members.

1. The membership of the Board of Directors shall include:
 1. The Mayor or the Mayor's designee;

2. A member of the Borough Council selected by the Borough Council;
3. Two (2) residents of the Borough who shall not be owners or occupants of property within the District to be selected by the Borough Council;
4. One member appointed by each of the following bodies:
 1. Riverview Medical Center
 2. The Monmouth County Arts Council
 3. Eastern Monmouth Area Chamber of Commerce

The members appointed by all of the foregoing bodies shall serve at the pleasure of the appointing body.

2. An additional twenty-three (23) members shall be elected to the Board of Directors. The existing Board shall initially carry on the duties of the non-profit corporation but the By-Laws shall provide for election to the Board of Directors by owners and/or occupants of property included within the District, which election shall be held on or before February 28, 1992, thereafter the annual election shall be held on or before December 15 of each year beginning December 15, 1992. Each property within the District shall have one vote to be exercised by the owner. Said owner may designate its tenant to exercise its right to vote. Said notice of the owner's designation of its right to vote shall be in writing and given to the judge of elections at least fifteen (15) days prior to the election. To be eligible to vote the property casting the ballot must not be delinquent on its tax payments to the Borough. Said elections shall be for a term of three (3) years; except, however, at the first election eight (8) members shall be elected for ten (10) months, seven (7) members shall be elected for twenty-two (22) months and seven (7) members shall be elected for thirty-four (34) months. Thereafter each election shall be for a term of three (3) years. Any vacancy with regard to these elected members shall be filled by appointment by a majority of the Board members for the balance of the term.
3. Of the twenty-three (23) above referred to members they shall be allocated as follows:
 1. Seventeen (17) representatives from the district, of whom six (6) shall be owners (or their designees) of district properties with an assessed value of over \$500,000.
 2. Six (6) at large.
4. Notice of Election - shall be by publication, mail or personal service.

SECTION 3.03 - REMOVAL OF DIRECTORS. At any meeting of the directors, duly called and at which a quorum is present, the directors may, by a majority vote of the entire board, remove with or without cause any elected director from office upon notice, and elect a successor to serve for the balance of the term of such removed director. Removal as a director shall constitute removal as a member of the corporation. Vacancies occurring in the Board for any reason shall be filled by a vote of a majority of the directors then in office. A director elected to fill a vacancy shall be elected to hold this office for the unexpired term of his/her predecessor.

SECTION 3.04 - **ANNUAL MEMBERSHIP MEETING.** The Annual Membership Meeting of the corporation shall be held each year during the month of November, prior to the election of the new Board at a time and place established by the Executive Committee. The Secretary shall cause to be mailed to every member in good standing at his/her address as it appears on the membership roll book of the corporation, a notice stating the time and place of the Annual Meeting. Regular meetings will be scheduled by the directors, and the schedule shall be given to all members and no additional notice of place, day and hour of regularly scheduled meetings need be given to any member. Special meetings may be called by the Chairman of the Board. Notice of the place, day and hour of such special meeting shall be given to each member at least three (3) days before the meeting, by delivering the same at his/her residence or usual place of business, by contacting him/her by telephone, or in the alternative by mailing such notice at least six (6) days before the meeting, postage prepaid, and addressed to him/her at his/her last known address. Any notice of a special meeting shall state the business to be transacted.

SECTION 3.05 - **MEETING OF DIRECTORS.** Meeting of the Board of Directors shall be conducted in accordance with the open Public Meeting Law.

SECTION 3.06 - **QUORUM.** Sixteen (16) members of the Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which it is by statute, the Articles of Incorporation, or by the BY-laws otherwise provided, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to pass any measure. In the absence of a quorum, the directors present by a majority vote and without notice other than by announcement may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. These rules shall also apply to the executive committee.

SECTION 3.07 – **COMPENSATION.** Directors shall not receive any compensation for their services as such, but by resolution of the Board, individual directors may be recompensed for any actual expenditures which may be incurred while engaged in the corporation's business outside the Borough of Red Bank, New Jersey.

SECTION 3.08 - **INCUMBENCIES.** The Board of Directors and officers at the time of the adoption of these By-Laws shall continue to serve until the first annual election. Elections shall be held as set forth in Article III, Section 3.02.

ARTICLE IV

SECTION 4.01 - **COMMITTEES GENERALLY.** By resolution adopted by a majority of the Board, the Board of Directors may provide for standing or special committees with such powers and duties as it deems desirable and may discontinue the same at its pleasure. The members of all such committees shall be appointed and the committee chairperson who shall be a member of the Board and shall be appointed by the Chairman of the Board of Directors. At least one member of each standing committee or special committee shall be a member of the Board of Directors; the remaining members of such committee may, but need not, be members of

the Board of Directors. Each committee shall keep full and fair accounts of its transactions and accurate minutes of its meetings. Vacancies on any committee shall be filled by the Chairman of the Board of Directors.

SECTION 4.02 - **EXECUTIVE COMMITTEE.** An Executive Committee shall be appointed by the Chairman composed of at least five (5) members, but no more than thirteen (13) members including the Chairman, all of whom shall be members of the Board of Directors and at least two-thirds (2/3) of which shall be members of the district. The Executive Committee shall approve the annual budget, the appointment of the principle staff persons employed by the corporation, the terms of that employment and the nominating committee who shall, each year, propose the names of persons to serve on the Board of Directors and as officers of the corporation.

SECTION 4.03 – **COMMITTEE REPORTS.** All recommendations by a committee shall be reported in writing to the Executive Committee.

SECTION 4.04 – **PARTICIPATION IN COMMITTEES.** In selecting members of committees, the Board shall encourage widespread participation among members of the business community and others concerned about the economic advancement of the district. From time to time, special committees may be named to advise the Board of Directors on issues which may require additional perspective and public meetings may be held to solicit advice from those concerned about the economic well-being of the district.

ARTICLE V

SECTION 5.01 – **EXECUTIVE OFFICERS.** At the first full Board Meeting after the annual election, the Board shall elect a chairman of the Board, and a Vice-chairman of the Board from among the directors to serve for one year terms. By a majority vote of the full membership of the Board of Directors, the Board may appoint a secretary and treasurer and such other subordinate officers as it may desire, also to serve for one year term.

SECTION 5.02 – **CHAIRMAN AND VICE-CHAIRMAN OF THE BOARD.** The Chairman of the Board shall preside at all meetings of the Board of Directors at which he/she shall be present. He/she shall have and may exercise such powers as are from time to time assigned to him/her by the Board of Directors.

The Vice-Chairman of the Board, at the request of the Chairman or in his/her absence, or during his/her inability to act, shall perform the duties and exercise the functions of the Chairman of the Board, and when so acting shall have the powers of the Chairman of the Board. The Vice-Chairman shall have such other duties as may be assigned to him/her by the Chairman.

The Chairman shall have general charge and supervision of the activities and affairs of the corporation; when authorized by the Board of Directors, he may sign and execute in the name of the corporation all authorized instruments, except in cases in which the signing and execution thereof shall have been expressly delegated by resolution of the Board of Directors to some other officer or agent of the corporation.

SECTION 5.03 – **CHIEF EXECUTIVE OFFICER.** A Chief Executive Officer shall be employed by the Board of Directors. He/she shall perform all duties incident to the office of the chief executive of a corporation and such other duties as, from time to time, may be assigned to him/her by the Board of Directors. He/she shall serve at the will of the Board of Directors and may be removed with or without cause by the Board of Directors.

SECTION 5.04 – **SECRETARY.** The secretary shall keep the minutes of the meetings of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the By-Laws or as requested by law; he/she be custodian of the records of the corporation; he/she shall see that the corporate seal is affixed to all documents which require said seal and which he/she has been authorized to execute on behalf of the corporation and when so affixing may attest to the same; and, in general, he/she shall perform all duties as from time to time, may be assigned by him/her by the Board of Directors or the Chairman.

SECTION 5.05 – **TREASURER.** The treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the corporation, and shall deposit or cause to be deposited in the name of the corporation all monies and other valuable effects in such bank, or other depositories as shall, from time to time, be selected by the Board of Directors. Whenever requested, he/she shall provide an account of the financial condition of the corporation, and, in general, shall perform all duties incident to the office of a treasurer of a corporation and such other duties as may be assigned to him/her by the Board of Directors or the Chairman.

SECTION 5.06 – **SUBORDINATE OFFICERS.** The Board of Directors may from time to time appoint such subordinate officers as it may deem desirable. Each officer shall perform such duties as the Board of Directors or the Chairman may prescribe.

ARTICLE VI

SECTION 6.01 – **POWER OF CORPORATION.** Those powers given under Statute, N.J.S.A 40:56-65, et seq. and ordinance adopted by the Borough of Red Bank on March 26, 1991 and which may be amended from time to time.

ARTICLE VII

SECTION 7.01 – **CHECKS, DRAFTS, ETC.** All checks, drafts and orders for payment of money, notes and other evidence of indebtedness, issued in the name of the corporation, shall be signed by such of the officers and/or directors as may from time to time be provided by resolution of the Board of Directors.

SECTION 7.02 – **ANNUAL REPORTS.** There shall be prepared annually a full and correct statement of the affairs of the corporation, including a balance sheet and statement of operations for the preceding fiscal year audited and certified by an independent Certified Public Accountant, which shall be submitted at a regular meeting of the directors and filed immediately thereafter at the principle office of the corporation and with the Mayor and Council. A certified

duplicate copy of the audit shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs within five (5) days of the filing of the audit with the Mayor and Council. Such statement shall be prepared by the Chairman or such other executive officer of the corporation as may be designated by the Board of Directors.

SECTION 7.03 – Within thirty (30) days after the close of each fiscal year, there shall be filed with the Mayor and Clerk of the Borough an annual written report for the preceding fiscal year.

SECTION 7.04 – **FISCAL YEAR.** The fiscal year of the corporation shall be the calendar year, unless otherwise provided by the Board of Directors, by resolution.

ARTICLE VIII

SECTION 8.01 – **SEAL.** The Board of Directors shall provide a suitable seal, bearing the name of the corporation, which shall be in the custody and charge of the secretary.

SECTION 8.02 – **BONDS.** The Board of Directors may require any officer, agent or employee of the corporation to give a bond to the corporation conditioned upon the faithful discharge of his/her duties with one or more sureties and in such as may be satisfactory to the Board of Directors.

SECTION 8.03 – **AMENDMENTS.** A motion to amend, alter, repeal, or enact a new by-law may be introduced, considered and discussed, not voted on, at any meeting of the Board of Directors, provided that at least ten (10) days prior to such meeting a full written statement of the exact language of the motion and the time, place and date of the meeting when the motion will be introduced has been forwarded to every member of the Board of Directors by certified mail. Provided the above said motion is duly seconded, the Chairman of the Board of Directors shall fix and announce a subsequent meeting date within a reasonable number of days when the motion shall be brought to a vote. An affirmative vote of two-thirds (2/3) of the entire Board of Directors shall be required to carry said motion, at which time the Board will forward the amendment to the Mayor and Council of the Borough of Red Bank for its consent to the proposed amendment before it is deemed to be enacted. The procedures and notice of requirements of the Section shall apply irrespective of any contrary provisions which may be contained in these By-Laws.

Approved at a meeting of Board of Directors on December 2, 2002.