

ORDINANCE 1660
ADOPTED 10/3/2011
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AN ORDINANCE APPROPRIATING \$675,000 FOR THE DEMOLITION OF THE FORMER GREENEVILLE AND BUCKINGHAM SCHOOL BUILDINGS AND AUTHORIZING THE ISSUE OF \$675,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH:

Section 1. The sum of \$675,000 is appropriated for the demolition of the former Greenville and Buckingham school buildings including, as necessary, borings, easement acquisitions, waste disposal permits, hazardous waste and asbestos removal, and site remediation; said appropriation shall be inclusive of administrative, advertising, engineering, legal, financing, consulting, surveying, printing, and expenses related thereto (the "Project").

Section 2. The total estimated cost of the project is \$675,000. No portion of the project cost is expected to be paid from sources other than the proposed bond issue. The estimated useful life of the project is twenty years. The project is a general benefit to the City of Norwich and its general governmental purposes.

Section 3. To meet said appropriation \$675,000 bonds of the City, or so much thereof as may be necessary for said purpose, may be issued, maturing not later than the twentieth year after their date, or such later date as may be allowed by law. Said bonds may be issued in one or more series as shall be determined by the City Manager and the Comptroller, and the amount of bonds of each series to be issued shall be fixed by the City Manager and the Comptroller, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the City by the manual or facsimile signatures of the City Manager and the Comptroller, bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the City Manager and the Comptroller, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the City Manager and the Comptroller, and be approved as to their legality by Bond Counsel. They shall bear such rate or rates of interest as shall be determined by the City Manager and the Comptroller. The bonds shall be general obligations of the City and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The aggregate principal amount of the bonds, annual

installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds, shall be determined by the City Manager and the Comptroller in accordance with the requirements of the General Statutes of Connecticut, as amended. In connection with the issuance of any bonds or notes authorized herein, the City may exercise any power delegated to municipalities pursuant to Section 7-370b, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of authority shall be approved by the City Council. In order to meet the capital cash flow expenditure needs of the City, the City Manager and Comptroller are authorized to allocate and reallocate expenditures incurred for the Project to any bonds or notes of the City outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including the bonds and notes and Project herein authorized.

Section 4. The issue of the bonds aforesaid and of all other bonds or notes of the City heretofore authorized but not yet issued, as of the effective date of this Ordinance, would not cause the indebtedness of the City to exceed any debt limit calculated in accordance with law. The principal and interest on the proposed issue are to be paid from property taxation to the extent not paid from other funds available for the payment thereof and the full faith and credit of the City are pledged to such payment.

Section 5. Said bonds shall be sold by the City Manager and Comptroller in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be sold upon sealed proposals, auction or similar competitive process, at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation the purchase contract shall be approved by the City Council. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Manager and Comptroller are authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund any purpose for which bonds of the City are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 6. The City Manager and the Comptroller are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of any series of said bonds. Notes evidencing such borrowings shall be signed by the manual or facsimile signatures of the City Manager and the Comptroller, have the seal of the City or a facsimile thereof affixed, be payable at a bank or trust company designated by the City Manager and the Comptroller, be certified by a bank or trust company designated by the City Manager and the Comptroller pursuant to Section 7-373 of the General Statutes of Connecticut, as amended, and be approved as to their legality by Bond Counsel. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the City and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing,

issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of said bonds the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such temporary borrowings then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 7. Resolution of Official Intent to Reimburse Expenditures with Borrowings. The City (the "Issuer") hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and after the date of passage of this ordinance in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. The Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Comptroller or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 8. The City Manager and Comptroller are hereby authorized to exercise all powers conferred by section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance.

Section 9. It is hereby found and determined that it is in public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the City as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation. The City Manager and the Comptroller are hereby authorized to issue and utilize without further approval any financing alternative available to municipal governments pursuant to HR1, "Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, for the Fiscal Year Ending September 30, 2009, and for other purposes" (the "American Recovery and Reinvestment Act of 2009"), as the same may be reauthorized or reenacted, or analogous legislation, including but not limited to any "tax credit bond," or "Build America Bonds" including Direct payment and Tax Credit Versions.

Ald. Desaulniers
Ald. Nash
Ald. Popovich
Ald. Hinchey

AN ORDINANCE AMENDING SUBPARAGRAPH (b)(4) OF SECTION 7-22. UNIFORM TAX DEFERRAL PROCESS OF THE NORWICH CODE OF ORDINANCES.

WHEREAS, subsection (b)(4) of Section 7-22 of the Norwich Code of Ordinances requires the results of a review of a request for a tax deferral made pursuant to Connecticut General Statute Section 12-65b to be presented to the administration, planning and economic development subcommittee of the city council for recommendation to the city council; and

WHEREAS, since the adoption of this ordinance the Charter of the City of Norwich has been changed assigning to the Mayor primary responsibility for the economic development of the city.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that, ordinance section 7-22 (b)(4) be amended as follows:

“Sec. 7-22. Uniform Tax Deferral Process.

(a) *Purpose.* The following process shall be used for the deferral of any increased assessment attributable to rehabilitation as established through G.S. §§ 12-65c – 12-65e and a resolution of the council of the City of Norwich relative to a rehabilitation area dated March 5, 1979.

(b) *Established.* Be it ordained by the council of the City of Norwich that a uniform tax deferral process is necessary and that the following format is herewith established:

- (1) All applicants shall submit to the assessor’s office an application, provided by that office.
- (2) All applicants shall submit to the comptroller’s office information necessary to produce a pro forma on the property on which tax deferral is being sought.
- (3) All applicants shall submit request to the community development office for low interest loans or grants that may be available through state, federal or quasigovernmental agencies.
- (4) A review of the request shall be made by the comptroller, the assessor and the community development director, the results of which shall be presented to the ~~administration, planning and economic development subcommittee of the city council~~ **Mayor** for recommendation to the city council.”

Purpose: The Uniform Tax Deferral Process of the City of Norwich requires a review of a request for tax deferral to be made by the comptroller, the assessor and the community developer director. This amendment requires the results of that review to be presented to the Mayor rather than to the administration, planning and economic development subcommittee of the city council for recommendation to the city council. This amendment alters the process in recognition of the charter change assigning to the mayor primary responsibility for the economic development of the city.

Mayor Peter A. Nystrom