



General Assembly

February Session, 2006

**Raised Bill No. 5040**

LCO No. 294

\*        HB05040PD        031706        \*

Referred to Committee on Planning and Development

Introduced by:  
(PD )

***AN ACT CONCERNING CITY AND TOWN DEVELOPMENT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-488 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) A municipality [shall have the power to] may make loans, which  
4 for the purposes of this section shall also include commitments to  
5 make loans, temporary loans and advances in anticipation of  
6 permanent loans, to any sponsor to provide funds [in furtherance of  
7 the purposes] to implement the provisions of this chapter; provided  
8 such loans shall be made only after the municipality finds and  
9 determines that similar loans are not otherwise available to such  
10 sponsors, wholly or in part, from private lenders upon reasonably  
11 equivalent terms and conditions.

12 (b) All loans shall be subject to any rules and regulations of the  
13 municipality established by resolution with respect to the making of  
14 such loans, and the use of the proceeds of all loans shall be restricted to  
15 only those activities [which are in furtherance of the purposes] that  
16 implement the provisions of this chapter. Loans shall be evidenced by

17 a note or bond, shall be secured or unsecured, shall be in such  
18 amounts, shall bear such date or dates, shall mature at such time or  
19 times, may be subject to prepayment and may contain such other  
20 provisions consistent with the purposes of this chapter as the  
21 municipality shall by resolution determine. Each such loan shall be  
22 authorized by a separate resolution of the legislative body of the  
23 municipality.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	7-488

**PD**      *Joint Favorable*