



General Assembly

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Raised Bill No. 350

LCO No. 2012

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Referred to Committee on Commerce

Introduced by:

(CE)

**AN ACT CONCERNING BONDS FOR INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT AT RENTSCHLER FIELD.**

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

1 Section 1. (NEW) (*Effective from passage*) It is found and declared that
2 there exists in the state of Connecticut a great and increasing need for
3 targeted commercial development and activity to provide and
4 maintain employment and tax revenues for the state and its
5 municipalities; that the emergence of new, and the expansion of
6 existing, technology-based businesses represents an important source
7 of new jobs for the state's economy; that it is essential for existing
8 business and industry to innovate and identify new technologies and
9 techniques in order for such business and industry to expand, to create
10 and retain employment and to better compete in the global
11 marketplace; that assistance and encouragement of the expansion of
12 commercial and technological development to provide and maintain
13 such employment and revenues is an important function of the state;
14 that the ability to provide financial assistance for roadways,
15 transportation facilities and other infrastructure to enable private
16 investment in such commercial and technological development is an

17 important inducement to entrepreneurs and to private commercial
18 enterprises to begin operations, remain or locate in the state; that the
19 promotion of integrated mixed-use development anchored by such
20 commercial and technological business and accompanied by associated
21 housing, entertainment, recreation, retail, hotel and other office
22 development will not only stimulate such commercial and
23 technological development and the needed redevelopment of the areas
24 in which such development is located, but also serve to benefit the
25 general welfare, health and prosperity of the people of the state by
26 promoting the development of such mixed-use projects through which
27 the people of the state may live, learn, work and recreate within an
28 integrated community; that such mixed-use development may also
29 provide facilities for events and activities that will promote regional
30 tourism, thereby contributing to the economic base of the state; that
31 there exists in the state a shortage of large tracts of suitable land on
32 which to locate such development; that this shortage has resulted and
33 will continue to result in a serious decrease in the development of new
34 business enterprise and job opportunities in Connecticut; that the
35 location of such commercial and technology-based development
36 should avoid, to the extent possible, previously undeveloped areas in
37 order that the state may ensure that the policies enunciated in chapter
38 495 of the general statutes are respected and implemented; that the
39 conservation, protection and enhancement of the state's endangered or
40 threatened species and their essential habitat is of state-wide concern;
41 that it is in the state's interest and it is the state's responsibility to
42 promote the policies of this chapter in a manner that is compatible and
43 not in competition with chapter 495 of the general statutes; that to the
44 extent the implementation of the policies of this chapter might
45 adversely affect any such habitat, the state shall secure the acquisition,
46 dedication and management of alternative essential natural habitats as
47 set forth in section 26-309 of the general statutes; that the public and
48 private sectors need to build partnerships that will foster a greater
49 entrepreneurial climate in the state; that Rentschler Field located in
50 East Hartford, Connecticut, upon which United Technologies

51 Corporation, to commemorate the seventy-five-year history of Pratt &
52 Whitney Aircraft Company and its founder, Frederick B. Rentschler,
53 previously donated to the state approximately seventy-five acres of
54 property at Rentschler Field for use by The University of Connecticut
55 and others of a forty thousand seat open-air stadium for Division I-A
56 football games and other world-class athletic, entertainment and
57 cultural events, is a site previously dedicated to industrial,
58 technological and entrepreneurial development that is within an
59 enterprise zone pursuant to chapter 585 of the general statutes and is
60 poised once again to host commercial and technological development
61 of the nature contemplated by these findings; that the success of an
62 integrated mixed-use development anchored by commercial and
63 technological business at Rentschler Field is dependent upon state
64 participation and assistance, and such assistance is a necessary
65 inducement to such activities and development; and, further, that
66 providing state financial assistance for infrastructure and habitat
67 preservation to stimulate private investment in such development at
68 Rentschler Field will assist in the creation of new products and
69 industry in this state and advance the preservation of valuable state
70 natural resources, resulting in increased employment, public revenues
71 and protection of the environment, and such state funding and state
72 participation in, and assistance to, such associated private
73 development are significant governmental uses and functions for
74 which the exercise of state power may be exercised and are public
75 purposes for which the borrowing power of the state may be exercised;
76 and therefore the necessity in the public interest and for the public
77 benefit and good for the provisions of chapter 588z of the general
78 statutes is hereby declared as a matter of legislative determination.

79 Sec. 2. (NEW) (*Effective from passage*) As used in sections 2 to 8,
80 inclusive, of this act:

81 (1) "Avian Mitigation Project" means the acquisition and
82 preparation of habitat improvements and deployment of suitable
83 habitat for endangered or threatened species, including the

84 Grasshopper Sparrow and the Upland Sandpiper, as determined by
85 the Secretary of the Office of Policy and Management in consultation
86 with the Commissioner of Environmental Protection;

87 (2) "Commissioner" means the Commissioner of Environmental
88 Protection;

89 (3) "Developer" means Rentschler Field Development Company,
90 LLC, or any person or entity succeeding Rentschler Field Development
91 Company, LLC, as the developer of Rentschler Field;

92 (4) "Financial service job" means each new and to the extent
93 approved by the secretary, retained job or combination of jobs in the
94 insurance and financial services sectors with an annual salary, or
95 combination of salaries, totaling eighty-five thousand dollars;

96 (5) "Job undertaking" means an agreement, contract or legally
97 enforceable instrument between the secretary and the developer
98 relating to the implementation of a job program at the site;

99 (6) "Job clawback" means the developer's contingent obligation to
100 reimburse the state up to twenty million dollars in project costs;

101 (7) "Project costs" means any and all costs and expenses relating to
102 development of the projects approved by the secretary;

103 (8) "Projects" means the Rentschler Field Roadway Improvement
104 Project and the Avian Mitigation Project;

105 (9) "Qualified job target" means at least two thousand technology or
106 financial service jobs in the aggregate;

107 (10) "Rentschler Field Roadway Improvement Project" means the
108 development, design and construction of roadway, pedestrian,
109 infrastructure or transportation improvements necessary or desirable
110 to serve Rentschler Field, including, without limitation, improvements
111 to the intersection of Roberts Street and Silver Lane, Willow Street and

112 Main Street/Connecticut Route 2, Main Street at or near High Street
113 and Brewer Street, ramps and access ways to or from Interstate 84,
114 Simmons Street at or near Silver Lane and such other areas as the
115 secretary and the developer shall deem necessary to serve and support
116 Rentschler Field and related site acquisition and preparation;

117 (11) "Reserved habitat" means at least one hundred fifty acres of
118 grassland habitat reserved and, to the extent required, restored at the
119 site in a manner deemed by the commissioner to be suitable for the
120 nesting and breeding of certain endangered, threatened and other
121 state-listed grassland bird species;

122 (12) "Reserve period" means April 1, 2006, to September 1, 2006;

123 (13) "Secretary" means the Secretary of the Office of Policy and
124 Management;

125 (14) "Site" means Rentschler Field, East Hartford, Connecticut;

126 (15) "State moneys" means the proceeds of the sale of the bonds
127 authorized pursuant to this section or of temporary or interim notes
128 issued in anticipation of the moneys to be derived from the sale of such
129 bonds;

130 (16) "Technology job" means each new and, to the extent approved
131 by the secretary, retained job or combination of jobs in the engineering,
132 research and development and technology sectors with an annual
133 salary, or combination of salaries, totaling one hundred thousand
134 dollars;

135 (17) "Town" means the town of East Hartford; and

136 (18) "Treasurer" means the State Treasurer.

137 Sec. 3. (NEW) (*Effective from passage*) (a) The State Bond Commission
138 shall have the power, in accordance with the provisions of this section
139 from time to time, to authorize the issuance of bonds of the state,

140 pursuant to and in accordance with this section in one or more series
141 and in principal amounts not exceeding in the aggregate thirty-five
142 million dollars for the Rentschler Field Roadway Improvement Project
143 and not exceeding ten million dollars for the Avian Mitigation Project,
144 plus additional amounts for costs of issuance to the extent that
145 premium and accrued interest on such bonds are not available to pay
146 such costs of issuance as determined by the Treasurer at the time of
147 issuance, provided, in computing the total amount of such bonds
148 which may at any one time be outstanding, the principal amount of
149 any refunding bonds issued to refund such bonds shall be excluded.
150 The proceeds of such bonds and each series thereof shall be used by or
151 at the direction of the Secretary of the Office of Policy and
152 Management for the purposes of financing project costs of the projects
153 or a grant-in-aid or other financial assistance with respect to any aspect
154 of the projects as set forth in a certificate of determination filed by the
155 secretary with the Treasurer and the secretary of the State Bond
156 Commission in respect of such project costs as detailed in said
157 certificate. Each such bond shall bear such title or other designation as
158 may be fixed by the Treasurer prior to issuance. This section shall
159 constitute a bond act within the meaning of section 3-20 of the general
160 statutes.

161 (b) The bonds authorized pursuant to this section shall mature at
162 such time or times not exceeding thirty years from their respective
163 dates. None of said bonds shall be authorized except upon a finding by
164 the State Bond Commission that there has been filed with it a request
165 for such authorization, which is signed by the secretary stating such
166 terms and conditions as said commission, in its discretion, may
167 require. Such bonds shall be general obligations of the state and the
168 full faith and credit of the state of Connecticut are pledged for the
169 payment of the principal of and interest on such bonds, including
170 temporary or interim notes, as the same become due, and, accordingly,
171 as part of the contract of the state with the holders of such bonds,
172 appropriation of all amounts necessary for punctual payment of such
173 principal and interest is hereby made including with respect to interest

174 on temporary or interim notes and principal thereof to the extent not
175 funded with renewals thereof or bonds, and the Treasurer shall pay
176 such principal and interest as the same become due.

177 (c) The secretary is authorized to use amounts available pursuant to
178 the bond authorization in this section to provide grants-in-aid or
179 financial assistance in such other forms as the secretary deems to be in
180 the public interest to the town or the developer upon a finding by the
181 secretary that such grant-in-aid or financial assistance is necessary to
182 induce the development of the projects. Such grant-in-aid or financial
183 assistance shall be on such terms as may be established by the
184 secretary, and the secretary is authorized to enter into such
185 commitments and agreements with respect thereto as may be
186 necessary to carry out the purposes of this subsection.

187 (d) No bonds, notes or other obligations provided for in this section
188 shall be authorized by the State Bond Commission except upon a
189 finding by the State Bond Commission that such issuance is in the
190 public interest.

191 (e) All provisions of section 3-20 of the general statutes and the
192 exercise of any right or power granted thereby which is not
193 inconsistent with the provisions of this section are hereby adopted and
194 shall apply to all bonds authorized pursuant to this section and
195 temporary or interim notes in anticipation of the money to be derived
196 from the sale of any such bonds so authorized may be issued in
197 accordance with said section 3-20 and from time to time renewed
198 provided no filings required by subdivisions (1) and (2) of subsection
199 (g) of said section 3-20 shall be required.

200 (f) Any balance of proceeds of the sale of such bonds authorized by
201 this section in excess of aggregate project costs shall be used to meet
202 interest and principal amounts as the same become due on such
203 authorized bonds or to defease or redeem such bonds as may be
204 outstanding, or shall be deposited to the General Fund as the Treasurer
205 shall determine.

206 (g) Net earnings on investment of proceeds, accrued interest and
207 premiums on the issuance of any or such bonds authorized by this
208 section after payment of expenses incurred by the Treasurer in
209 connection with their issuance, if any, and after compliance with
210 applicable federal tax requirements, shall be used to meet interest and
211 principal amounts as the same become due on said authorized bonds.

212 (h) After authorization by the State Bond Commission, all securities
213 of the state issued pursuant to this section shall be conclusively
214 presumed to be fully and duly authorized and issued under the laws
215 of the state. Any person or governmental entity shall be estopped from
216 questioning their authorization, sale, issuance, execution or delivery by
217 the state.

218 (i) Any federal, private or other moneys then available or thereafter
219 to be made available for project costs as identified by the secretary may
220 be added to any state moneys available or becoming available
221 hereunder for such project costs as if constituting such state moneys,
222 and any other federal, private or other moneys then available or
223 thereafter to be made available for such project costs, if and to the
224 extent from time to time directed by the Treasurer, upon receipt shall,
225 in conformity with applicable federal and state law, be used for the
226 purposes for which such other moneys are received, and otherwise by
227 the Treasurer to meet the principal of outstanding bonds issued
228 pursuant to this section or to meet the principal of temporary or
229 interim notes issued in anticipation of the money to be derived from
230 the sale of such bonds, either by purchase or redemption and
231 cancellation of such bonds or notes or by payment thereof at maturity.
232 Whenever any of the federal, private or other moneys so received with
233 respect to the projects are used to meet principal of such temporary or
234 interim notes or whenever principal on any such temporary or interim
235 notes is retired by application of revenue receipts of the state, the
236 amount of such bonds authorized in anticipation of which such
237 temporary or interim notes were issued, and the aggregate amount of
238 such bonds which may be authorized pursuant to this section, shall

239 each be reduced by the amount of the principal so met or retired.
240 Pending use of the federal, private or other moneys so received to meet
241 the principal as directed in this subsection, the amount thereof may be
242 invested by, or at the direction of, the Treasurer in bonds or obligations
243 of, or guaranteed by, the state or the United States or agencies or
244 instrumentalities of the United States, or in accordance with the
245 provisions of section 3-20 of the general statutes and shall be deemed
246 to be part of the debt retirement funds of the state, and net earnings on
247 such investments shall be used in the same manner as said moneys so
248 invested.

249 Sec. 4. (NEW) (*Effective from passage*) Except with respect to the
250 payment by the Secretary of the Office of Policy and Management of
251 certain limited amounts of preliminary costs pursuant to subsection (c)
252 of section 3 of this act, no contract may be awarded, obligation
253 incurred or amount expended by the secretary with respect to project
254 costs to be funded with the proceeds of the bonds, no principal amount
255 of bonds, notes or other obligations of the state authorized with respect
256 to the projects may be allotted or encumbered or expended, unless and
257 until the following condition has been met: The secretary shall have
258 filed with the Treasurer and the State Bond Commission a certificate to
259 the effect that the secretary has entered into the job undertaking with
260 the developer in a form mutually acceptable to the secretary and the
261 developer, which obligates the developer to implement a program to
262 develop or retain the qualified job target on or before December 31,
263 2016, and which provides that the developer will be responsible for the
264 job clawback if the developer fails to attain the qualified job target. The
265 developer shall receive a credit against the job clawback of thirty
266 thousand dollars for each technology job and twenty thousand dollars
267 for each financial service job developed or retained pursuant to the job
268 undertaking after the effective date and prior to December 31, 2016.

269 Sec. 5. (NEW) (*Effective from passage*) The Secretary of the Office of
270 Policy and Management may:

271 (1) Acquire, by condemnation, gift, purchase, lease, lease-purchase,
272 exchange or otherwise, such real property determined to be necessary
273 by the secretary for the Rentschler Field Roadway Improvement
274 Project;

275 (2) Select, engage and compensate surveyors, appraisers, engineers,
276 architects and other providers of professional, management, financial
277 or technical services and undertake or arrange for engineering,
278 architectural, environmental, legal, fiscal and economic investigations
279 and studies, surveys, designs, plans, working drawings, specifications,
280 procedures and other activities incidental thereto;

281 (3) Lease or sublease, as lessor or lessee or sublessor or sublessee,
282 convey, and grant temporary or permanent easements and rights-of-
283 way and enter into access, support, common area maintenance and
284 similar agreements with respect to, any real property in connection
285 with the projects, including leases or subleases, as lessor or lessee or
286 sublessor or sublessee, in connection with site acquisition
287 arrangements, on terms to be determined by the secretary;

288 (4) Enter into agreements, pursuant to which the state may be
289 obligated, among other things, to (A) acquire real property, (B) provide
290 bond proceeds or other state moneys with which to pay project costs,
291 and (C) plan, undertake, perform or otherwise provide for the site
292 preparation, the implementation of the infrastructure improvements
293 and the development of the projects;

294 (5) Coordinate the projects with the developer and the town with
295 respect to all or any part of the projects and enter into such agreements
296 as may be necessary or appropriate to facilitate the coordinated
297 development of the projects;

298 (6) Make and execute any other contracts and all other instruments
299 necessary or convenient or desirable for the exercise of the powers and
300 functions of the state and coordinate, delegate, implement and
301 complete any or all of the projects;

302 (7) Delegate or assign to the authority or any other agency,
303 department or public instrumentality of the state, including any quasi-
304 public agency, such rights, interests, activities, responsibilities and
305 obligations of the secretary as, in the opinion of the secretary, are
306 appropriate, necessary or desirable in order to effectuate the projects;

307 (8) Do any and all other things necessary or convenient to carry out
308 the purposes of and exercise the powers expressly granted pursuant to
309 the secretary under this act.

310 Sec. 6. (NEW) (*Effective from passage*) The Secretary of the Office of
311 Policy and Management shall take reasonable steps designed to ensure
312 that the expenditure of public funds for project costs is subject to
313 adequate financial controls and that construction of the projects
314 conforms to applicable construction standards and approved plans
315 and specifications. Such steps shall include, but are not limited to, the
316 following:

317 (1) The secretary shall designate a project comptroller from the
318 secretary's senior staff. The project comptroller shall review, certify
319 and authorize any amount due for payment by the Treasurer on
320 warrants issued by the State Comptroller and otherwise oversee the
321 expenditure of all state funds made available for purposes of the
322 projects. The project comptroller shall be responsible for obtaining all
323 necessary information and shall monitor all aspects of the planning
324 and implementation of the projects, including on-site inspections. The
325 project comptroller shall prepare and submit to the secretary and the
326 Auditors of Public Accounts as of the end of each quarter during the
327 period of project development, a summary of the reports received by
328 the project comptroller during such quarter and a summary, by major
329 category, of all expenditures of state funds for project costs during
330 such quarter, noting any significant variances against budget.

331 (2) The secretary shall select an independent auditing firm in
332 accordance with applicable procurement procedures to review all
333 invoices, expenditures, cost allocations and other appropriate

334 documentation related to all elements of the project costs. The
335 independent auditing firm shall file a written report quarterly with the
336 secretary.

337 (3) All contracts entered into by the secretary related to the
338 development of the projects shall require the maintenance of complete
339 accounting records relating to all expenditures of state funds,
340 including detailed support for all cost allocations, on an open book
341 basis providing for access to such records, including records in
342 electronic form, by the secretary, the independent auditing firm
343 selected by the secretary and the Auditors of Public Accounts.

344 Sec. 7. (NEW) (*Effective from passage*) (a) In the exercise of the powers
345 and authority of the Secretary of the Office of Policy and Management
346 pursuant to sections 2 to 8, inclusive, of this act, the secretary may
347 contract with the town to carry out the projects. The terms and
348 conditions of such contracts shall be determined by the secretary, as
349 shall the fees or other similar compensation to be paid, provided that
350 such contracts shall be structured or contain such terms and conditions
351 as will enable the secretary to retain overall supervision and control of
352 the projects.

353 (b) Notwithstanding any provision of the general statutes applicable
354 to a state facility or public works project, the secretary may select any
355 prime construction contractor on a negotiated basis, provided that the
356 secretary shall invite not less than three qualified general contractors
357 or construction managers with current construction experience with
358 major projects of comparable scope to submit proposals to act as a
359 prime construction contractor.

360 (c) Notwithstanding any provision of the general statutes applicable
361 to a state facility or public works project, except as otherwise provided
362 in this section, all construction contracts entered into by the secretary
363 with respect to the projects shall be entered into on an open-bid or
364 negotiated basis.

365 (d) The invitation to bid and the construction contract awarded shall
366 contain such other terms and conditions, and such provisions for
367 penalties, as the secretary may deem appropriate.

368 (e) Any other agency or department of the state undertaking work
369 related to the projects, may select and engage professionals,
370 consultants and contractors in the same manner as provided in this
371 section in the case of the secretary, notwithstanding any provision of
372 the general statutes.

373 Sec. 8. (NEW) (*Effective from passage*) Provided that the reserved
374 habitat is reserved for the nesting and breeding of endangered,
375 threatened and other state-listed grassland bird species during the
376 reserve period, the commencement of any development activities at
377 the site, including site preparation, grass mowing, soil testing or any
378 other development activity shall be deemed to constitute an incidental
379 taking in compliance with the measures and alternatives specified in
380 subsection (d) of section 26-310 of the general statutes and therefore
381 shall not be prohibited by sections 26-303 to 26-312, inclusive, of the
382 general statutes and any action authorized, funded or performed by
383 any state agency in support of development of the site shall be deemed
384 exempt from the requirements of subsection (a) of section 26-310 of the
385 general statutes, pursuant to the exemption criteria set forth in
386 subsection (c) of section 26-310 of the general statutes, as if the
387 Commissioner of Environmental Protection had otherwise granted
388 such exemption pursuant to subsection (c) of section 26-310 of the
389 general statutes. The location of the reserved habitat shall be identified
390 in consultation with the commissioner, and the commissioner's consent
391 shall be obtained prior to the conduct of any activity in the reserved
392 habitat during the reserve period.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section

Statement of Purpose:

To promote economic development by facilitating the full development of Rentschler Field.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]