



General Assembly

January Session, 2007

Raised Bill No. 1440

LCO No. 5789

05789_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING A SPECIAL TAXING DISTRICT WITHIN THE TOWN OF REDDING.

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

1 Section 1. Section 1 of special act 05-14, as amended by section 2 of
2 public act 06-163, is amended to read as follows (*Effective July 1, 2007*):

3 For purposes of [this section] special act 05-14, as amended by this
4 act:

5 (1) "District" means certain real property, situated in the town of
6 Redding, County of Fairfield and State of Connecticut shown and
7 designated as Parcel D on "Property survey for The Gilbert & Bennett
8 Mfg. Co. in Georgetown Redding, Connecticut Sheet 3 of 3" and dated
9 September 20, 1987, which map is on file in the Redding town clerk's
10 office as Map 3436, excepting, however, so much of such property as
11 has previously been conveyed to other, including, but not limited to,
12 (A) the premises described in a certain deed to the town of Wilton,
13 dated September 22, 1999, and recorded in the Wilton Land Records at
14 volume 1193, page 183, (B) the premises described in a certain deed to
15 the town of Redding, dated November 4, 1999, and recorded in the

16 Redding Land Records at volume 235, page 33, and (C) the premises
17 described in a certain deed to the town of Redding dated November 4,
18 1999, and recorded in the Redding Land Records at volume 267, page
19 240; except upon action on or after the effective date of this section by
20 the voters, as provided in section 7-325 of the general statutes, to
21 enlarge the district, "district" shall include all those certain pieces or
22 parcels of land, with the improvements thereon, situated in the Town
23 of Redding, County of Fairfield and State of Connecticut, being shown
24 as: "Parcel A (Assessor's No. 32-1, 2, 3) Acres = 41.4822"; "Parcel B
25 (Assessor's No. 34-1) Acres = 1.4529"; "Parcel C (Assessor's No. 35-1)
26 Acres = 1.8746"; all as shown on "Property Survey for THE GILBERT &
27 BENNETT MFG. Co.", sheets 1, 2 and 3, on file in the Redding Town
28 Clerk's Office as Map Nos. 3434, 3435 and 3436; together with that
29 certain parcel of land (Redding Assessor's Map 103, Block 35, Lot 4)
30 being shown as "Total Area = 0.765 AC." on "Map Prepared for Gilbert
31 & Bennett Manufacturing Co. Redding, Connecticut" dated July 18,
32 1988, and on file in the Redding Town Clerk's Office as Map No. 3626,
33 and upon its discontinuance, that certain parcel of land being shown as
34 North Main Street on said maps;

35 (2) "Voter" means (A) any person who is an elector of the district, (B)
36 any citizen of the United States of the age of eighteen years or more
37 who, jointly or severally, is liable to the district for taxes assessed
38 against such citizen on an assessment of not less than one thousand
39 dollars on the last-completed grand list of such district, or who would
40 be so liable if not entitled to an exemption under subdivision (17), (19),
41 (22), (23), (25) or (26) of section 12-81 of the general statutes, or (C)
42 holders of record of interest in real property within such district; and

43 (3) "Qualified green building and sustainable design project" shall
44 have the same meaning as in 26 USC 142.

45 (4) "Clean renewable energy bond qualified project" means a
46 qualified project for which clean renewable energy bonds may be
47 issued under 26 USC 54.

48 Sec. 2. Subsection (b) of section 2 of special act 05-14 is amended to
49 read as follows (*Effective from passage*):

50 (b) At the meeting called for the purpose of establishing the district,
51 as provided in subsection (a) of this section, the voters may establish
52 the district for any or all of the following purposes: To extinguish fires,
53 to light streets, to plant and care for shade and ornamental trees, to
54 plan, lay out, acquire, construct, finance and maintain roads,
55 sidewalks, crosswalks, drains and sewers, [and] sewage treatment
56 facilities [,] and other infrastructure improvements, to acquire, own,
57 lease, pledge, encumber, maintain, operate and regulate the use of
58 open space, parks, parking facilities and other interests in real and
59 personal property, to appoint and employ watchmen or police officers,
60 to acquire, construct, maintain and regulate the use of recreational
61 facilities, to plan, lay out, acquire, construct, reconstruct, repair,
62 maintain, supervise and manage a flood or erosion control system, to
63 plan, lay out, acquire, construct, maintain, operate and regulate the use
64 of a community water system, to plan, lay out, acquire, construct,
65 maintain, operate and regulate the use of a qualified green building
66 and sustainable design project, to plan, lay out, acquire, construct,
67 maintain, operate and regulate the use of a clean renewable energy
68 bond qualified project, and to collect garbage, ashes and all other
69 refuse matter in any portion of such district and provide for the
70 disposal of such matter, to establish a zoning commission and a zoning
71 board of appeals or a planning commission, or both, by adoption of
72 chapter 124 or 126 of the general statutes, excluding section 8-29 of the
73 general statutes, or both such chapters, as the case may be, which
74 commissions or board shall be dissolved upon adoption of subdivision
75 or zoning regulations by the town planning or zoning commission,
76 and to adopt building regulations, which regulations shall be
77 superseded upon adoption by the town of building regulations, and to
78 adopt and enforce design codes and use restrictions applicable to real
79 and personal property within the district. The district may contract
80 with a town, city, borough or other district for carrying out any of the

81 purposes for which such district was established.

82 Sec. 3. Section 5 of special act 05-14 is amended to read as follows
83 (*Effective from passage*):

84 (a) As used in this section, "bonds" means any bonds, including
85 refunding bonds, notes, temporary notes or other obligations.

86 (b) For the purpose of carrying out or administering the purposes
87 and functions of the district, as provided in [subsection (b) of] section 2
88 of this act, the district, acting by and through its board of directors, is
89 authorized to issue bonds as provided in the general statutes. The
90 bonds may be secured as to both principal and interest by (1) the full
91 faith and credit of the district, (2) fees, revenues or benefit assessments,
92 or (3) a combination of subdivisions (1) and (2) of this subsection.

93 (c) The district is authorized to secure such bonds by the full faith
94 and credit of the district or by a pledge of or lien on all or part of its
95 revenues, fees or benefit assessments. The bonds of each issue shall be
96 dated, shall bear interest at the rates and shall mature at the time or
97 times not exceeding thirty years from their date or dates, as
98 determined by the board, and may be redeemable before the maturity,
99 at the option of the board, at the price or prices and under the terms
100 and conditions fixed by the board before the issuance of the bonds. The
101 board shall determine the form of the bonds and the manner of
102 execution of the bonds, and shall fix the denomination of the bonds
103 and the place or places of payment of principal and interest, which
104 may be at any bank or trust company within the state of Connecticut,
105 and other locations as designated by the board. In case any officer
106 whose signature or a facsimile of whose signature shall appear on any
107 bonds or coupons shall cease to be an officer before the delivery of the
108 bonds, the signature or facsimile shall nevertheless be valid and
109 sufficient for all purposes the same as if such officer had remained in
110 office until the delivery. The bonds shall be issued in registered form.
111 The district may sell the bonds in a manner and for a price, whether at

112 public or private sale, as it may determine to be in the best interests of
113 the district.

114 (d) Any provisions which may be included in proceedings
115 authorizing the issuance of bonds under this section may be included
116 in an indenture of trust duly approved in accordance with this section
117 which secures the bonds and any notes issued in anticipation thereof,
118 and in such case, the provisions of such indenture shall be deemed to
119 be a part of such proceedings as though they were expressly included
120 therein.

121 (e) Any bonds issued by the district pursuant to this section shall be
122 considered debt for urban renewal projects for the purposes of the
123 limitation of municipal indebtedness pursuant to subsection (b) of
124 section 7-374 of the general statutes.

125 (f) The board may authorize that the bonds be secured by a trust
126 agreement by and between the district and a corporate trustee, which
127 may be any trust company or bank having the powers of a trust
128 company within the state of Connecticut. The trust agreement may
129 pledge or assign the revenues. Either the resolution providing for the
130 issuance of bonds or the trust agreement may contain covenants or
131 provisions for protecting and enforcing the rights and remedies of the
132 bondholders as may be necessary, reasonable or appropriate and not in
133 violation of law.

134 (g) All expenses incurred in carrying out the trust agreement may be
135 treated as a part of the cost of the operation of the district. The pledge
136 by any trust agreement or resolution shall be valid and binding from
137 time to time when the pledge is made; the revenues or other moneys
138 so pledged and then held or thereafter received by the board shall
139 immediately be subject to the lien of the pledge without any physical
140 delivery thereof or further act; and the lien of the pledge shall be valid
141 and binding as against all parties having claims of any kind in tort,
142 contract or otherwise against the board, irrespective of whether the

143 parties have notice thereof. Notwithstanding any provision of the
144 Uniform Commercial Code, neither this subsection, the resolution or
145 any trust agreement by which a pledge is created need be filed or
146 recorded except in the records of the board, and no filing need be
147 made under title 42a of the general statutes.

148 (h) Bonds or notes issued under this section are hereby made
149 securities in which all public officers and public bodies of the state of
150 Connecticut and its political subdivisions, all insurance companies,
151 trust companies, banking associations, investment companies,
152 executors, administrators, trustees and other fiduciaries may properly
153 and legally invest funds, including capital in their control and
154 belonging to them; and such bonds shall be securities which may
155 properly and legally be deposited with and received by any state or
156 municipal officer or any agency or political subdivision of the state of
157 Connecticut for any purpose for which the deposit of bonds or notes of
158 the state of Connecticut is now or may hereafter be authorized by law.

159 *Sec. 4. (Effective from passage)* (a) Notwithstanding any provision of
160 the general statutes, including sections 7-324 to 7-329, inclusive, the
161 district established by special act 05-14, as amended by this act, shall
162 have the power to assess, levy and collect benefit assessments upon the
163 land and buildings in the district which, in its judgment, are benefited
164 by the improvements.

165 (b) (1) Notwithstanding any provision of the general statutes,
166 including sections 7-324 to 7-329, inclusive, the district shall have the
167 power to fix, revise, charge, collect, abate and forgive reasonable taxes,
168 fees, rents and benefit assessments, and other charges for the cost of
169 the improvements, financing costs, operating expenses and other
170 services and commodities furnished or supplied to the real property in
171 the district in accordance with the applicable provisions of the general
172 statutes which apply to districts established under section 7-325 of the
173 general statutes, and special act 05-14, as amended by this act, and in
174 the manner prescribed by the district. Notwithstanding any provision

175 of the general statutes, the district may pay the entire cost of any
176 improvements, including the costs of financing such improvements,
177 capitalized interest and the funding of any reserve funds necessary to
178 secure such financing or the debt service of bonds or notes issued to
179 finance such costs, from taxes, fees, rents, benefit assessments or other
180 revenues and may assess, levy and collect said taxes, fees, rents or
181 benefit assessments concurrently with the issuance of bonds, notes or
182 other obligations to finance such improvements based on the estimated
183 cost of the improvements prior to the acquisition or construction of the
184 improvements or upon the completion or acquisition of the
185 improvements.

186 (2) Notwithstanding any provision of the general statutes, whenever
187 the district constructs, improves, extends, equips, rehabilitates, repairs,
188 acquires or provides a grant for any improvements or finances the cost
189 of such improvements, such proportion of the cost or estimated cost of
190 the improvements and financing thereof as determined by the district,
191 may be assessed by the district, herein referred to as "benefit
192 assessments", in the manner prescribed by such district, upon the
193 property benefited by such improvements and the balance of such
194 costs shall be paid from the general funds of the district. The district
195 may provide for the payment of such benefit assessments in annual
196 installments, not exceeding thirty, and may forgive such benefit
197 assessments in any single year without causing the remainder of
198 installments of benefit assessments to be forgiven. Benefit assessments
199 to buildings or structures constructed or expanded after the initial
200 benefit assessment may be assessed as if the new or expanded
201 buildings or structures had existed at the time of the original benefit
202 assessment. It is hereby determined that the provision of open space
203 whether within the district or in the town of Redding is a benefit to all
204 the property in the district.

205 (3) In order to provide for the collection and enforcement of its
206 taxes, fees, rents, benefit assessments and other charges, the district is
207 hereby granted all the powers and privileges with respect thereto as

208 districts organized pursuant to section 7-325 of the general statutes,
209 and as held by municipal corporations or as otherwise provided in this
210 section. Such taxes, fees, rents or benefit assessments, if not paid when
211 due, shall constitute a lien upon the premises served and a charge
212 against the owners thereof, which lien and charge shall bear interest at
213 the same rate as delinquent property taxes. Each such lien may be
214 continued, recorded and released in the manner provided for property
215 tax liens and shall take precedence over all other liens or
216 encumbrances except a lien for taxes of the town of Redding. Each
217 such lien may be continued, recorded and released in the manner
218 provided for property tax liens.

219 (4) The benefit assessments shall be adopted and revised by the
220 board in accordance with the procedures to be established by the
221 board, at a meeting called by the board, assuring that interested
222 persons are afforded notice and an opportunity to be heard. The board
223 shall hold at least one public hearing on its schedule of benefit
224 assessments and other charges or any revision thereof before adoption,
225 notice of which shall be delivered to the first selectman of the town of
226 Redding and be published in a newspaper of general circulation in the
227 town of Redding at least ten days in advance of the hearing. No later
228 than the date of the publication, the board shall make available to the
229 public and deliver to the first selectman of the town of Redding the
230 proposed schedule of benefit assessments and other charges. The
231 procedures regarding public hearing and appeal provided by section
232 7-250 of the general statutes, shall apply for all benefit assessments
233 made by the district except that the board shall be substituted for the
234 water pollution control authority. Should the benefit assessments be
235 assessed and levied prior to the acquisition or construction of the
236 improvements, then the amount of the benefit assessments shall be
237 adjusted to reflect the actual cost of the improvements, including all
238 financing costs, once the improvements have been completed, should
239 the actual cost be greater than or less than the estimated costs. Benefit
240 assessments shall be due and payable at such times as are fixed by the

241 board, provided the district shall give notice of such due date not less
242 than thirty days prior to such due date by publication in a newspaper
243 of general circulation in the town of Redding and by mailing such
244 notice to the owners of the property assessed at their last-known
245 address.

246 (c) The district and all its receipts, revenues, income and real and
247 personal property shall be exempt from taxation and benefit
248 assessments and the district shall not be required to pay any tax, excise
249 or assessment to or from the state of Connecticut or any of its political
250 subdivisions. The principal and interest on bonds or notes issued by
251 the district shall be free from taxation at all times, except for estate and
252 gift, franchise and excise taxes, imposed by the state of Connecticut or
253 any political subdivision thereof, provided nothing in this section shall
254 act to limit or restrict the ability of the state of Connecticut or the town
255 of Redding to tax the individuals and entities, or their real or personal
256 property or any person living or business operating within the
257 boundaries of the district.

258 (d) Special act 05-14, as amended by section 2 of public act 06-163
259 and this act, being necessary for the public interest, shall be liberally
260 construed to affect the purposes hereof.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	SA 05-14, Sec. 1
Sec. 2	<i>from passage</i>	SA 05-14, Sec. 2(b)
Sec. 3	<i>from passage</i>	SA 05-14, Sec. 5
Sec. 4	<i>from passage</i>	New section

Statement of Purpose:

To make certain changes to the enabling language for the special taxing district in the town of Redding, including expanding the district's powers to cover other infrastructure improvements, make benefit assessments, use a federally tax-exempt bond program, and utilize a trust indenture, clarifying that the district is tax-exempt, and

providing that the district's debt will be considered urban renewal project debt for purposes of the statutory municipal debt limitation.

[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.]