



House Bill No. 5495

Special Act No. 10-4

AN ACT ESTABLISHING THE RIVER FALLS IMPROVEMENT DISTRICT WITHIN THE TOWN OF SEYMOUR.

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

Section 1. (*Effective July 1, 2010*) (a) For purposes of this section:

(1) "District" means that certain real property, situated in the town of Seymour, the County of New Haven and the state of Connecticut, the River Falls Improvement District, a body politic and corporate.

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

(3) "Bonds" means bonds, notes or other obligations authorized by this section.

(4) "Board of directors" or "board" means the governing body of the

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district established pursuant to this section.

(b) (1) Upon the petition of fifteen or more persons eligible to vote in the town of Seymour, seeking to establish the district for any or all of the purposes set forth in this section, the first selectman of said town shall call a meeting of the voters to act upon such petition, which meeting shall be held at such place within said town and such hour as the first selectman designates, not later than thirty days after such petition has been received by the first selectman. Such meeting shall be called by publication of a written notice of the same, signed by the first selectman, at least fourteen days before the time fixed for such meeting in two successive issues of some newspaper published or circulated in said town. Not later than twenty-four hours before such meeting, (A) two hundred or more voters or ten per cent of the total number of voters of such proposed district, whichever is less, may petition the first selectman, in writing, for a referendum of the voters of such proposed district, or (B) the first selectman in his or her discretion, may order a referendum of the voters of such proposed district, on the sole question of whether the proposed district should be established. Any such referendum shall be held not less than seven or more than fourteen days after the receipt of such petition or the date of such order, on a day to be set by the first selectman for a vote by paper ballots or by a "yes" or "no" vote on the voting machines, during the hours between twelve o'clock noon and eight o'clock p.m., except that said town may, by vote of its board of selectmen, provide for an earlier hour for opening the polls but not earlier than six o'clock a.m. If voters representing at least two-thirds of the assessments of holders of record within the proposed district cast votes in such referendum in favor of establishing the proposed district, the first selectman shall reconvene such meeting not later than seven days after the day on which the referendum is held. Upon approval of the petition for the proposed district by voters representing at least two-thirds of the assessments of holders of record within the proposed district present at such meeting,

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or if a referendum is held, upon the reconvening of such meeting after the referendum, the voters may name the district and, upon the vote of voters representing a majority of assessments of holders of record within the district, choose necessary officers of the district to hold office until the first annual meeting thereof. Upon the filing of the first report filed in the manner provided in subsection (c) of section 7-325 of the general statutes, the district shall be a body corporate and politic and have the powers provided in sections 7-324 to 7-329, inclusive, of the general statutes, not inconsistent with the general statutes or this section, in relation to the objects for which it was established, that are necessary for the accomplishment of such objects, including the power to lay and collect taxes. The clerk of such district shall cause its name and a description of its territorial limits and of any additions that may be made thereto to be recorded in, and a caveat be placed upon, the land records of the town of Seymour.

(2) At the meeting called for the purpose of establishing the district, as provided in subdivision (1) of this subsection, the voters may establish the district for any or all of the following purposes: To extinguish fires, to light streets, to plant and care for shade and ornamental trees, to plan, lay out, acquire, construct, finance and maintain roads, sidewalks, crosswalks, drains, sewers and sewage treatment facilities, utility improvements and connections, parking facilities, open space, bulkhead repairs, dredging and construction, environmental remediation and other infrastructure improvements, and to acquire, construct, maintain and regulate the use of recreational facilities, to plan, lay out, acquire, construct, reconstruct, repair, maintain, supervise and manage a flood or erosion control system, to plan, lay out, acquire, construct, maintain, operate, finance and regulate the use of a community water system, all as hereinafter referred to as the "improvements". The district may contract with a town, city, borough or other district for carrying out any of the purposes or the purchase or sale of any of the improvements for which

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such district was established.

(3) (A) At the meeting called for the purpose of establishing the district as provided in subdivision (1) of this subsection, the voters shall fix the date of the annual meeting of the voters for the election of district officers and the transaction of such other business as may properly come before such annual meeting. At such organization meeting of the district, the voters shall elect a president, vice-president, five directors, a clerk and a treasurer to serve until the first annual meeting for the election of officers and thereafter such officers shall be elected annually, provided, upon its organization and at all times thereafter, one director may be appointed by the first selectman of the town of Seymour. Not fewer than three members of the board of directors shall be residents of the state of Connecticut. As provided in subparagraph (A) of subdivision (4) of this subsection, a quorum shall be required for the transaction of business at such organizational meeting of the district; and if no quorum is present at such meeting, the first selectman may adjourn such meeting from time to time, until a quorum is present.

(B) Special meetings of the district may be called on the application of ten per cent of the total number of voters of such district or twenty of the voters of such district, whichever is less, or by the president or any three directors upon giving notice as provided in this subdivision. Any special meeting called on the application of the voters shall be held not later than twenty-one days after receiving such application. Notice of the holding of the annual meeting and all special meetings shall be given by publication of a notice of such meetings in a newspaper having a general circulation in such district at least ten days before the day of such meetings, signed by the president or any three directors, which notice shall designate the time and place of such meetings and the business to be transacted at such meeting. Two hundred or more persons or ten per cent of the total number of voters

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of such district, whichever is less, may petition the clerk of such district, in writing, at least twenty-four hours prior to any such meeting, requesting that any item or items on the call of such meeting be submitted to the voters not less than seven or more than fourteen days after the date of such meeting. Such vote shall be held on a day to be set by the district meeting or, if the district meeting does not set a date, by the board of directors. The vote shall be by paper ballots or by a "yes" or "no" vote on the voting machines, during the hours between twelve o'clock noon and eight o'clock p.m., except that any district may, by vote of its board of directors, provide for an earlier hour for opening the polls but not earlier than six o'clock a.m. The paper ballots or voting machine ballot labels, as the case may be, shall be provided by the clerk. When such a petition has been filed with the clerk, the president, after completion of other business and after reasonable discussion shall adjourn such meeting and order such vote on such item or items in accordance with the petition. Any item so voted may be rescinded in the same manner. The clerk shall phrase such item or items in a form suitable for printing on paper ballots or ballot labels.

(C) As provided in subparagraph (B) of subdivision (4) of this subsection, a quorum is required for the transaction of business at any meeting of the district. If a quorum is not present at such meeting, the president of the district or, in such president's absence, the vice-president, may adjourn such meeting from time to time, until a quorum is present. All meetings of the district where a quorum is present may be adjourned from time to time by a vote of a majority of the voters voting on the question. At any annual or special meeting, the voters may, by a majority vote of those present, discontinue any purposes for which the district is established or undertake any additional purpose or purposes enumerated in subdivision (2) of this subsection.

(4) (A) A quorum for the transaction of business at the meeting

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called for the purpose of establishing the district, as provided in subdivision (1) of this subsection, shall be either fifteen voters of such district or a majority of the holders of record of interests in real property within such district, as long as the assessments of such holders of record constitute more than one-half of the total of assessments for all interests in real property within such district. If fifteen voters or a majority of the holders of record of interests in real property within such district are not present at such meeting or the assessments of such holders of record constitute less than one-half of the total of assessments for all interests in real property within such district, the first selectman may adjourn such meeting, from time to time, until at least fifteen voters or a majority of the holders of record of interests in real property within such district are present and the assessments of such holders of record constitute more than one-half of the total of assessments for all interests in real property within such district.

(B) For the transaction of business at any other meeting of the district, a quorum shall be either fifteen voters of the district or a majority of the holders of record of interests in real property within such district, as long as the assessments for such holders of record constitute more than one-half of the total of assessments for all interests in real property within such district. If fifteen voters or a majority of the holders of record of interests in real property within such district are not present at such meeting or the assessments of such holders of record constitute less than one-half of the total assessments for all interests in real property within such district, the president of the district, or in such president's absence, the vice-president, may adjourn such meeting, from time to time, until at least fifteen voters or a majority of the holders of record of interests in real property within such district are present and the assessments of such holders of record constitute more than one-half of the total of assessments for all interests in real property within such district.

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(5) In any case in which an action for a vote by the voters of the district is to be initiated by the petition of such voters, in addition to such other requirements as the general statutes or any special act may impose, such petition shall be on a form prescribed or approved by the clerk of such district, and each page of such petition shall contain a statement, signed under penalties of false statement, by the person who circulated the same, setting forth such circulator's name and address, and stating that each person whose name appears on said page signed the same in person in the presence of such circulator, that the circulator either knows each such signer or that the signer satisfactorily identified himself or herself to the circulator and that all the signatures on said page were obtained not earlier than six months prior to the filing of said petition. Any page of a petition which does not contain such a statement by the circulator shall be invalid. No petition shall be valid for any action for a vote by the voters at any regular or special district meeting unless such petition shall be circulated by a voter eligible to vote in such district.

(c) Whenever the officers of such district vote to terminate its corporate existence and whenever a petition signed by ten per cent of the total voters of such district or twenty of the voters of such district, whichever is less, applying for a special meeting to vote on the termination of the district is received by the clerk, the clerk shall call a special meeting of the voters of such district. Notice of such meeting shall be signed by the officers of the district, by advertising the meeting in the same manner as provided in section 7-325 of the general statutes. Not later than twenty-four hours before any such meeting, two hundred or more voters or ten per cent of the total number of voters, whichever is less, may petition the clerk of the district, in writing, that a referendum on the question of whether the district should be terminated be held in the manner provided in section 7-327 of the general statutes. If, at such meeting, a two-thirds majority of the voters present vote to terminate the corporate existence of the district,

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or, if a referendum is held, two-thirds of the voters casting votes in such referendum vote to terminate the corporate existence of the district, the officers shall proceed to terminate the affairs of such district. The district shall pay all outstanding indebtedness and turn over the balance of the assets of such district to the town of Seymour, if the board of selectmen authorizes such action. No district shall be terminated under this subsection until all of its outstanding indebtedness is paid, unless the board of selectmen of the town of Seymour agrees in writing to assume such indebtedness. On completion of the duties of the officers of such district, the clerk shall cause a certificate of the vote of such meeting to be recorded in the land records of the town of Seymour and the clerk shall notify the Secretary of the Office of Policy and Management.

(d) (1) For purposes of voting at meetings held by such district, any tenant in common of any interest in real property shall have a vote equal to the fraction of such tenant in common's ownership of such interest. Any joint tenant of any interest in real property shall vote as if each such tenant owned an equal fractional share of such real property. A corporation shall have its vote cast by the chief executive officer of such corporation, or such officer's designee. Any entity that is not a corporation shall have its vote cast by a person authorized by such entity to cast its vote. No owner shall have more than one vote.

(2) No holder of record of an interest in real property shall be precluded from participating in any district meeting or referendum because of the form of entity that holds such interest, whether such holder of record is (A) a corporation, partnership, unincorporated association, trustee, fiduciary, guardian, conservator or other form of entity, or any combination thereof, or (B) an individual who holds interests jointly or in common with another individual or individuals, or with any one or more of the entities listed in subparagraph (A) of this subdivision.

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(e) (1) Notwithstanding any provision of the general statutes, including sections 7-324 to 7-329, inclusive, of the general statutes, the district shall have the power to fix, revise, charge, collect, abate and forgive reasonable taxes, fees, rents and benefit assessments, and other charges for the cost of the improvements, financing costs, operating expenses and other services and commodities furnished or supplied to the real property in the district in accordance with the applicable provisions of the general statutes which apply to districts established under section 7-325 of the general statutes, and this section and in the manner prescribed by the district. Notwithstanding any provision of the general statutes, the district may make grants for, or pay the entire cost of any improvements, including the costs of financing such improvements, capitalized interest and the funding of any reserve funds necessary to secure such financing or the debt service of bonds or notes issued to finance such costs, from taxes, fees, rents, benefit assessments or other revenues and may assess, levy and collect said taxes, fees, rents or benefit assessments concurrently with the issuance of bonds, notes or other obligations to finance such improvements based on the estimated cost of the improvements prior to the acquisition or construction of the improvements or upon the completion or acquisition of the improvements.

(2) Notwithstanding any provision of the general statutes, whenever the district constructs, improves, extends, equips, rehabilitates, repairs, acquires or provides a grant for any improvements or finances the cost of such improvements, such proportion of the cost or estimated cost of the improvements and financing thereof as determined by the district, may be assessed by the district, herein referred to as "benefit assessments", in the manner prescribed by such district, upon the property benefited by such improvements. The balance of such costs shall be paid from the general funds of the district. The district may provide for the payment of such benefit assessments in annual installments, not exceeding thirty, and may forgive such benefit

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assessments in any single year without causing the remainder of installments of benefit assessments to be forgiven. Benefit assessments to buildings or structures constructed or expanded after the initial benefit assessment may be assessed as if the new or expanded buildings or structures had existed at the time of the original benefit assessment.

(3) In order to provide for the collection and enforcement of its taxes, fees, rents, benefit assessments and other charges, the district is hereby granted all the powers and privileges with respect thereto as districts organized pursuant to section 7-325 of the general statutes, and as held by the town of Seymour or as otherwise provided in this section. Such taxes, fees, rents or benefit assessments, if not paid when due, shall constitute a lien upon the premises served and a charge against the owners thereof, which lien and charge shall bear interest at the same rate as delinquent property taxes. Each such lien may be continued, recorded and released in the manner provided for property tax liens and shall take precedence over all other liens or encumbrances except a lien for taxes of the town of Seymour. Each such lien may be continued, recorded and released in the manner provided for property tax liens.

(4) The budget, taxes, fees, rents, benefit assessments and any other charges of the district of general application shall be adopted and revised by the board at least annually no more than thirty days before the beginning of the fiscal year, in accordance with the procedures to be established by the board, at a meeting called by the board, assuring that interested persons are afforded notice and an opportunity to be heard. The board shall hold at least two public hearings on its schedule of fees, rates, rents, benefit assessments and other charges or any revision thereof before adoption, notice of which shall be delivered to the first selectman and board of selectmen of the town of Seymour and be published in at least two newspapers of general circulation in the

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town of Seymour at least ten days in advance of the hearing. No later than the date of the publication, the board shall make available to the public and deliver to the first selectman and the board of selectmen of the town of Seymour the proposed schedule of fees, rates, rents, benefit assessments and other charges. The procedures regarding public hearing and appeal provided by section 7-250 of the general statutes, shall apply for all benefit assessments made by the district, except that the board shall be substituted for the water pollution control authority. Should the benefit assessments be assessed and levied prior to the acquisition or construction of the improvements, then the amount of the benefit assessments shall be adjusted to reflect the actual cost of the improvements, including all financing costs, once the improvements have been completed, should the actual cost be greater than or less than the estimated costs. Benefit assessments shall be due and payable at such times as are fixed by the board, provided the district shall give notice of such due date not less than thirty days prior to such due date by publication in a newspaper of general circulation in the town of Seymour and by mailing such notice to the owners of the property assessed at their last-known address.

(f) (1) Notwithstanding any provision of the general statutes, including sections 7-324 to 7-329, inclusive, of the general statutes, whenever the district has authorized the acquisition or construction of improvements or has made an appropriation therefor, the district may authorize the issuance of bonds, notes or other obligations to finance the cost of the improvements, the creation and maintenance of reserves required to sell the bonds and the cost of issuance of the bonds, provided no bonds shall be issued prior to the district entering into an interlocal agreement with the town of Seymour, in accordance with the procedures provided by section 7-339c of the general statutes, including at least one public hearing on the proposed agreement and ratification by the board of selectmen. The bonds may be secured as to both principal and interest by (A) the full faith and credit of the

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district, (B) fees, revenues or benefit assessments, or (C) a combination of subparagraphs (A) and (B) of this subdivision. Such bonds shall be authorized by resolution of the board of directors of the district. The district is authorized to secure such bonds by the full faith and credit of the district or by a pledge of or lien on all or part of its revenues, fees or benefit assessments. The bonds of each issue shall be dated, shall bear interest at the rates and shall mature at the time or times not exceeding thirty years from their date or dates, as determined by the board, and may be redeemable before maturity, at the option of the board, at the price or prices and under the terms and conditions fixed by the board before the issuance of the bonds. The board shall determine the form of the bonds, and the manner of execution of the bonds, and shall fix the denomination of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within the state of Connecticut and other locations as designated by the board. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until the delivery.

(2) While any bonds issued by the district remain outstanding, the powers, duties or existence of the district shall not be diminished or impaired in any way that will affect adversely the interests and rights of the holders of the bonds. Bonds issued under this section, unless otherwise authorized by law, shall not be considered to constitute a debt of the state of Connecticut or the town of Seymour, or a pledge of the full faith and credit of the state of Connecticut or the town of Seymour, but the bonds shall be payable solely by the district or as special obligations payable from particular district revenues. Any bonds issued by the district shall contain on their face a statement to the effect that neither the state of Connecticut nor the town of Seymour

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shall be obliged to pay the principal of or the interest thereon, and that neither the full faith and credit or taxing power of the state of Connecticut or the town of Seymour is pledged to the payment of the bonds. All bonds issued under this section shall have and are hereby declared to have all the qualities and incidents of negotiable instruments, as provided in title 42a of the general statutes.

(g) Any bonds issued by the district pursuant to this section shall be considered debt for urban renewal projects for the purposes of the limitation of municipal indebtedness pursuant to section 7-374 of the general statutes.

(h) (1) The board may authorize that the bonds be secured by a trust agreement by and between the district and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the state of Connecticut. The trust agreement may pledge or assign the revenues. Either the resolution providing for the issuance of bonds or the trust agreement may contain covenants or provisions for protecting and enforcing the rights and remedies of the bondholders as may be necessary, reasonable or appropriate and not in violation of law.

(2) All expenses incurred in carrying out the trust agreement may be treated as a part of the cost of the operation of the district. The pledge by any trust agreement or resolution shall be valid and binding from time to time when the pledge is made. The revenues or other moneys so pledged and then held or thereafter received by the board shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the board, irrespective of whether the parties have notice thereof. Notwithstanding any provision of the Uniform Commercial Code, neither this subsection, the resolution or any trust agreement by which a pledge is created need be filed or

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recorded except in the records of the board, and no filing need be made under title 42a of the general statutes.

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

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

(k) The board shall at all times keep accounts of its receipts, expenditures, disbursements, assets and liabilities, which shall be open to inspection by a duly appointed officer or duly appointed agent of the state of Connecticut or the town of Seymour. The fiscal year of the district shall begin on July first and end on the following June thirtieth or as otherwise established by section 7-327 of the general statutes. The

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district shall be subject to an audit of its accounts in the manner provided in chapter 105 of the general statutes.

(l) (1) At such time as any construction or development activity financed by bonds issued by the district is taking place, the clerk of the district shall submit project activity reports quarterly to the Secretary of the Office of Policy and Management and to the chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

(2) The district shall take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by the district. Such information shall be provided to any existing residents and to all prospective residents of the district. The district shall furnish each developer of a residential development within the district with sufficient copies of such information to provide each prospective initial purchaser of property in such district with a copy, and any developer of a residential development within the district, when required by law to provide a public offering statement, shall include a copy of such information relating to the public financing and maintenance of improvements in the public offering statement.

(m) (1) This section shall be deemed to provide an additional, alternative and complete method of accomplishing the purposes of this section and exercising the powers authorized hereby and shall be deemed and construed to be supplemental and additional to, and not in derogation of, powers conferred upon the district by law and particularly by sections 7-324 to 7-329, inclusive, of the general statutes; provided insofar as the proceedings of this section are inconsistent with any general statute or special act, or any resolution or ordinance of the town of Seymour, this section shall be controlling.

(2) Except as specifically provided in this section, all other statutes,

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ordinances, resolutions, rules and regulations of the state of Connecticut and the town of Seymour shall be applicable to the property, residents and businesses located in the district. Nothing in this section shall in any way obligate the town of Seymour to pay any costs for the acquisition, construction, equipping or operation and administration of the improvements located within the district or to pledge any money or taxes to pay debt service on bonds issued by the district except as may be agreed to in any interlocal agreements executed by the town of Seymour and the district.

(n) At the option of the town of Seymour by vote of the board of selectmen of the town of Seymour, the district shall be merged into the town of Seymour if no bonds are issued by the district not later than four years after the effective date of this section or after the bonds authorized by this section are no longer outstanding and any property which is owned by the district shall be distributed to the town of Seymour.

(o) This section being necessary for the welfare of the town of Seymour and its inhabitants shall be liberally construed to effect the purposes hereof.

Approved May 26, 2010