MINUTES
SPECIAL MEETING
BOARD OF MAYOR AND BURGESSES
MARCH 23, 2023

Due to the COVID-19 Pandemic, the Borough of Naugatuck held the Board of Mayor and Burgesses meeting on a hybrid basis. Everyone was welcomed to attend in person, by Zoom Webinar or by phone.

1. Mayor "Pete" Hess called the special meeting to order at **7:40 p.m**. with the following in attendance:

BURGESSES:		**PRESS:**
R. Neth	G. Mudry	A. Yilma
M. Bronko	D. Neth-Kunin	
F. Dambowsky	M. Smith	**RESIDENTS:**
C. Marenghi	R. Vitale	Unable to determine due to the format
J. Mizeski, virtual		

DEPARTMENT HEADS:
S. Jackson, Assessor, virtual

OTHERS:
L. Wehry, IT Assistant

2. George Mudry led in the Pledge of Allegiance to the flag.

4. Motion by Deputy Mayor Neth and seconded by Burgess Bronko that the Board of Mayor and Burgesses adopt a resolution authorizing the adoption of the **Tax Increment Financing District Master Plan and the Establishment of the Revitalized Rubber Corridor Tax Increment Financing District**, as if read:

WHEREAS, Connecticut General Statutes Chapter 105b (the "Act") authorizes municipalities in Connecticut to create tax increment financing ("TIF") districts for the purpose of incentivizing economic development and infrastructure, and supporting employment, housing, economic growth and other projects; and

WHEREAS, on February 1, 2022, the Board of Mayor and Burgesses (the "Board") adopted a resolution directing the Mayor to prepare a master plan to establish a tax increment financing district and on February 23, 2023, the Board adopted a resolution approving the form of the Tax Increment Financing District Master Plan (the "District Master Plan") and directing the Mayor to transmit the District Master Plan to the Planning Commission and to call a public hearing to discuss the proposal to establish a tax increment financing district; and

WHEREAS, the proposed district, to be known as the Revitalized Rubber Corridor Tax Increment Financing District (the "District") will be established pursuant to the Act and the District Master Plan, a copy of which has been provided separately to the Board, which details the establishment, structure, development, financing, operation and maintenance of the District; and

WHEREAS, pursuant to the District Master Plan, the Borough of Naugatuck (the "Borough") will capture up to seventy-five percent (75%) of the future increased assessed property values within the District for an anticipated term of 50 years and utilize up to one hundred percent (100%) of the real property tax revenues generated and captured from such increased property values, along with other public or private funds, to fund public and private improvements, including public infrastructure, traffic and road improvements, public spaces, streetscaping, development and/or redevelopment of commercial, residential, retail and mixed-use spaces, marketing, parking and other related studies, environmental remediation and legal and administrative costs; and

WHEREAS, the proposed District is in need of rehabilitation and redevelopment; and

WHEREAS, the establishment of the District is expected to help to provide continued employment for the citizens of the Borough and the surrounding region; to improve and broaden the tax base in the Borough; and to contribute to the economic growth and well-being of the Borough and the State of Connecticut; and

WHEREAS, the District Master Plan was transmitted to, and a study of the District Master Plan and a written advisory opinion as required by the Act was requested from, the Planning Commission prior to the authorization and the establishment of the District; and

WHEREAS, a written advisory opinion has been received from the Planning Commission which includes a determination that the District Master Plan is consistent with the Borough's Plan of Conservation; and

WHEREAS, the Board has held a public hearing on the proposal to establish the District in accordance with the requirements of the Act, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Borough; and

WHEREAS, the Board has considered the comments provided at the public hearing.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF MAYOR AND BURGESSES OF THE BOROUGH OF NAUGATUCK AS FOLLOWS:

Section 1. The Board hereby finds and determines that (i) the District is located wholly within the boundaries of the Borough and the establishment of the District will not be in conflict with the provisions of the Borough Charter, (ii) the establishment of the District and the adoption of the District Master Plan will contribute to the economic growth and well-being of the Borough, (iii) the real property within the District is in need of rehabilitation and redevelopment and is suitable for industrial, commercial, residential, mixed use, or retail development, and (iv) the original assessed value of the taxable real property within the District and any other tax increment financing district located in the Borough does not exceed 10% of the total value of taxable real property within the Borough as of October 1, 2022.

Section 2. The Board hereby approves the District Master Plan in the form submitted to the Board and authorizes the establishment of the Revitalized Rubber Corridor Tax Increment Financing District, the boundaries of which are as set forth in the District Master Plan.

Section 3. The Board hereby authorizes that up to seventy-five percent (75%) of the future increased assessed property values within the District shall be retained as captured assessed value in accordance with the District Master Plan and up to one hundred percent (100%) of the real property tax revenues generated from such captured assessed value may be used to fund the various costs and improvements set forth in the District Master Plan.

Section 4. In accordance with the Act, the Mayor is hereby authorized and, after approval by the Board, may enter into, in the name and on behalf of the Borough, any credit enhancement agreements as may be contemplated by the District Master Plan with such property owners and applicants as may fall within the scope and policies outlined in the District Master Plan, such agreements to be in such form and to contain such terms and provisions, not inconsistent with the District Master Plan and as the Board may approve.

Section 5. The District Master Plan may be amended from time to time by the Board and shall be reviewed by the Board at least once every ten (10) years after the date of adoption of this resolution by the Board.

ROLL CALL VOTE:

FOR		**OPPOSE**	**ABSTAIN**
Mayor N.W. Hess	J. Mizeski	None	None
R. Neth	G. Mudry		
M. Bronko	D. Neth-Kunin		
F. Dambowsky	M. Smith		
C. Marenghi	R. Vitale		

Motion carried 10-0-0

5. Motion by Deputy Mayor Neth and seconded by Burgess Bronko that the Board of Mayor and Burgesses adopt a resolution authorizing the **Appropriation and Bond Authorization of $20,000,000 for Financing the Cost of Carrying Out or Administering the First Phase of the Revitalized Rubber Corridor District Master Plan**, as if read:

RESOLVED, that the Board of Mayor and Burgesses hereby adopts and recommends to the Board of Finance and the Board of Mayor and Burgesses and Board of Finance sitting jointly that:

(i) the sum of $20,000,000 be appropriated for the cost of Financing the Cost of Carrying Out or Administering the First Phase of the Revitalized Rubber Corridor District Master Plan including, but not limited to, (a) all improvements necessary to complete a mixed use development on Parcel B including grant matches, streetscape, improvements, soil suitability issues, offsite parking acquisition or any other items necessary to enhance the project; (b) all improvements, grant matches or other expenses necessary to complete a mixed use development on Parcels A, Y & Z including streetscape improvements, remediation, engineering, offsite parking or any other items necessary to enhance the project; (c) all improvements necessary to develop an Industrial Park on the former Uniroyal property, including soil management, costs, capping, environmental monitoring, engineering, legal costs or other expenses required to complete the development; (d) all improvements necessary to enhance the Rubber Avenue corridor including a façade improvement incentive program, pocket parks, walkways, trails as well as other expenses required to improve the appearance of Rubber Avenue and to convert Borough properties to taxable properties on the grand list; (e) construction of a Street Department and Ambulance Building on the former Risdon property as well as all related expenses for design, engineering, remediation or other costs to develop the site; (f) all engineering and other improvements necessary to complete a Greenway from the Whittemore Bridge to Breen Field including easement acquisition, engineering, construction costs and other related costs for the Greenway extension as well as for the infrastructure and road costs to improve Hotchkiss Street and the entrance to Breen Field and all improvements in connection therewith, as well as engineering and temporary and permanent financing costs (the "Project"), and to meet said appropriation and in lieu of a tax therefor, bonds, notes or other obligations of the Borough be issued pursuant to Chapter 105b of the Connecticut General Statutes, as amended (the "Act"), or any other provision of law thereto enabling, in the amount of $20,000,000 (the "Bonds") or so much thereof as may be necessary after deducting grants or other sources of funds available therefor; and

(ii) the Bonds shall be payable solely from and secured by (a) the full faith and credit of the Borough; (b) a pledge of and lien upon any or all of the income, proceeds, revenues and property of the projects within the Revitalized Rubber Corridor Tax Increment Financing District (the "District") including the proceeds of grants, loans, advances or contributions from the federal government, the State of Connecticut or other sources; (c) all revenues derived under sections 7-339gg and 7-339ii of the Connecticut General Statutes received by the Borough; or (d) any combination of the methods in subdivisions (a), (b) and (c) above and all in accordance with the Act; and

(iii) the Mayor and the Treasurer of the Borough be authorized to issue and sell the Bonds by competitive or negotiated transactions, including direct purchase and, if negotiated or sold by direct purchase to select the underwriter or purchaser, and to determine the amount, date, date of maturity, interest rate, form, rank or priority, security and other terms and details of the Bonds, pursuant to Chapter 105b of the Connecticut General Statutes, as amended, or any other provision of law thereto enabling; and

(iv) the Mayor and the Treasurer of the Borough shall sign the Bonds by either manual or facsimile signatures and that the law firm of Pullman & Comley, LLC is designated as bond counsel to approve the legality of the bonds or notes; and

(v) the Mayor is authorized to enter into a trust agreement by and between the Borough and a corporate trustee further setting forth the terms and provisions applicable to the Bonds and as may be necessary, reasonable, appropriate or desirable to secure or market the Bonds in the form as may be determined by the Mayor and to designate a bank or trust company to be the trustee, certifying bank, registrar, transfer agent and paying agent of the Bonds; to deliver the Bonds; and to perform all other acts which are necessary or appropriate to issue the Bonds including entering into a continuing disclosure agreement pursuant to the Securities and Exchange Commission Rule 15(c)(2)(12). The Mayor and the Treasurer of the Borough or either one of them, are further authorized to bind the Borough pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the Bonds, including covenants to pay rebates of investment earnings to the United States in future years and to execute and deliver any other documents necessary or appropriate to issue and deliver the Bonds.

BE IT FURTHER RESOLVED, that the Borough reasonably expects to incur expenditures (the "Expenditures") in connection with the capital project for which a general functional description is provided above. The Borough reasonably expects to reimburse itself for the cost of the Expenditures with the proceeds of general obligation bonds and notes of the Borough described above. The maximum principal amount of such debt (both bonds and notes) is not expected to exceed $20,000,000. This declaration of official intent is a declaration of official intent made pursuant to Treasury Regulation Section 1.150-2.

BE IT FURTHER RESOLVED, the Mayor, and the Treasurer and other proper officers and employees of the Borough are authorized to take all other action which is necessary or desirable to contract and complete the Project and to issue the Bonds to defray the aforesaid appropriation.

ROLL CALL VOTE:

FOR		**OPPOSE**	**ABSTAIN**
Mayor N.W. Hess	J. Mizeski	None	None
R. Neth	G. Mudry		
M. Bronko	D. Neth-Kunin		
F. Dambowsky	M. Smith		
C. Marenghi	R. Vitale		

Motion carried 10-0-0

5. Mayor Hess appointed **Anthony Jones**, 196 Field Street, Naugatuck, CT 06770 as an alternate member to the **Arts Commission,** filling the expired term of C. Ruggeri, term to expire April 1, 2024.

6. **VOTED:** Unanimously on a motion by Deputy Mayor Neth and seconded by Burgess Bronko to recess to Executive Session at **7:48 p.m.** for discussion on the following: **Real Estate** (Sale of Former Recycling Center – Rubber Avenue, Sale of Genesis Academy – Rubber Avenue). No one was invited into executive session.

Mayor Hess reconvened the meeting at **8:00 p.m.**

7. The following motions emanated from Executive Session.

VOTED: Unanimously on a motion by Deputy Mayor Neth and seconded by Burgess Bronko that the Board of Mayor and Burgesses authorize Mayor Hess to enter into an agreement to sell the **Former Recycling Center on Rubber Avenue** as discussed in executive session.

VOTED: Unanimously on a motion by Deputy Mayor Neth and seconded by Burgess Bronko that the Board of Mayor and Burgesses authorize Mayor Hess to enter into an agreement to sell the **Genesis Academy on Rubber Avenue** as discussed in executive session.

8. **VOTED:** Unanimously on a motion by Deputy Mayor Neth and seconded by Burgess Bronko to adjourn the special meeting at **8:01 p.m.**

A digital recording of this meeting is available in the office of the Borough Clerk for further review.

Attest:

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Nancy K. DiMeo
Borough Clerk