

**ORDINANCE 1670
ADOPTED 8/6/2012
PUBLISHED 8/9/2012**

AN ORDINANCE PROVIDING FOR THE ABATEMENT OF REAL ESTATE TAXES ON REAL PROPERTY IMPROVEMENTS AND THE WAIVER OF BUILDING PERMIT FEES FOR THE HISTORIC REDEVELOPMENT AND/OR REUSE OF THE PONEMAH BUILDING #1

WHEREAS, The Council of the City of Norwich seeks to encourage development opportunities that will contribute to the economic stability of the city, encourage tourism and improve the quality of life for the residents of Norwich through the adaptive reuse, rehabilitation, and preservation of the historic and architecturally unique resources, including historic industrial mills, that reflect Norwich's rich history; and

WHEREAS, the Ponemah Mills are contributing structures to the Taftville National Register Historic District and are designated as a historic mill site in the "Feasibility and Planning Study: The Historic Mills of Norwich, Connecticut" published by the city of Norwich in 1992; and

WHEREAS, the Council of the City of Norwich wishes to encourage the adaptive reuse and rehabilitation of the Historic Ponemah Mill Building #1 located at 607 Norwich Avenue in Taftville (the "Mill") for an economically viable project; and

WHEREAS, Ponemah Riverbank, LLC ("Ponemah Riverbank"), purchased the Mill on March 26, 2007 and began renovations investing significant sums in the same, and has an anticipated completion date of 2016; and

WHEREAS, Ponemah Riverbank has obtained the necessary local land use approvals for the mixed-use redevelopment and conversion of the Mill building for historically appropriate use; and

WHEREAS, Ponemah Riverbank has undertaken substantial environmental cleanup of the Mill Property and intends to utilize Federal Historic Rehabilitation Tax Credits which require the Mill to remain income producing for a minimum of five years; and

WHEREAS, the Council of the City of Norwich finds that the Mill is historically and architecturally meritorious and it has authority pursuant to Section 12-127a of the Connecticut General Statutes and Sec. 7-121.5 of the Norwich Code of Ordinances to abate real estate tax revenue in whole or in part for such historic mill structures; and

WHEREAS, the Norwich Commission on the City Plan has determined that both the redevelopment of the mill and the associated abatement of real estate taxes is consistent with the City's mill enhancement program; and

WHEREAS, the Council of the City of Norwich also has authority pursuant to Section 4-7 of the Norwich Code of Ordinances to reduce or waive building permit fees in cases involving industrial buildings such as the Mill where it determines that such buildings or structures will be a benefit to the city; and

WHEREAS, Ponemah Riverbank has paid and is anticipated to continue to pay the real estate taxes where have been assessed against the Mill to date and seeks an abatement of the taxes to become due for the improvements made to the Mill during renovations as set forth herein to assist it in obtaining financing for the project.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that real estate taxes on real property improvements associated with the historic redevelopment and adaptive reuse of the Mill shall be abated in full during its renovation (the "Construction Period"). The Construction Period shall commence at the time of the issuance of the first building permit for new construction after the date of approval of this ordinance but no later than July 1, 2013. The construction Period shall terminate on July 1, 2016.

AND BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that real estate taxes on real property improvements associated with the historic redevelopment and adaptive reuse of the Mill shall be abated for a period of 9 years in accordance with the following schedule commencing with the Grand List of October 1, 2016.

<u>Year</u>	<u>Taxation Percentage on Real Property Improvements</u>	<u>Taxation Percentage on Existing Real Property Assessment</u>
1	0%	100%
2	0%	100%
3	0%	100%
4	0%	100%
5	0%	100%
6	20%	100%
7	40%	100%
8	60%	100%
9	80%	100%
10	100%	100%

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that pursuant to Sec. 7-121.5 of the Norwich Code of Ordinances, if after taxes on the Mill have been abated, the Mill is demolished or remodeled in a way which destroys its architectural or historic value, then the owner shall pay the city an amount equal to the total amount of taxes which had been abated under this ordinance.

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH All building permit fees associated with the historic redevelopment and adaptive reuse of the mill shall be waived with the exception of any costs related to state fees and necessary third party review of construction documents.

Alderman Mark Bettencourt