

AN ORDINANCE PROVIDING FOR THE ABATEMENT OF REAL ESTATE TAXES ON REAL PROPERTY IMPROVEMENTS FOR THE HISTORIC REDEVELOPMENT AND/OR REUSE OF THE PONEMAH SOUTH MILL, PONEMAH MILL BUILDING #2, CONSISTING OF TWO SEPARATE STRUCTURES IDENTIFIED AS 555 NORWICH AVENUE AND 575 NORWICH AVENUE

WHEREAS, The Council of the City of Norwich seeks to encourage development 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 or architecturally meritorious resources, including certain 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 have been designated as an 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 previously encouraged and supported the adaptive reuse and rehabilitation of the Ponemah Mill Building #1 by an abatement of certain real estate taxes, which abatement assisted and continues to assist in the rehabilitation and restoration of Ponemah Mill Building #1 as a mixed-use redevelopment; and

WHEREAS, 555 South Mill LLC and 575 South Mill, LLC are the owners of two (2) separate and definable structures located adjacent to the historic Ponemah Mill Building #1 and known as the South Mill or Ponemah Mill Building #2 (hereinafter "South Mill" and/or "Ponemah Mill Building #2") which structures are to be restored and renovated during Phases 4 and 5 of the Ponemah Mill Project; and

WHEREAS, the structure located at 555 Norwich Avenue with map/block/lot number 47/4/6 is to be renovated and rehabilitated as part of Phase 4 of the Ponemah Mill Project, and that located at 575 Norwich Avenue, with map/block/lot number 47/4/5, to be renovated and rehabilitated as part of Phase 5 of the Ponemah Mill Project; and

WHEREAS, the Council of the City of Norwich finds that the Ponemah Mill Building #2 is historically and architecturally meritorious and that the Council 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 taxes in connection with the rehabilitation for reuse of such historic mill structures; and

WHEREAS, the Norwich Commission on the City Plan has determined that both the redevelopment of the South Mill (Ponemah Mill Building #2) 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 the building permit fees in cases involving industrial buildings or structures such as the South Mill when it determines that such building or structure will be a benefit to the city; and

WHEREAS, 555 South Mill, LLC and 575 South Mill, LLC have paid and is anticipated to continue to pay the real estate taxes which have been assessed against the South Mill to date and as such may be revalued and assessed following any required future revaluation and seeks an abatement of a portion of the taxes to become due with respect to improvements made to the South 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 the real estate taxes on the real property improvements associated with the redevelopment and adaptive reuse of the South Mill performed to maintain its historical and architectural value shall be abated for a period of 15 years upon the conclusion of the renovation (the "Construction Period"). The Construction Period for either of the structures comprising the South Mill (whether scheduled to be done in Phase 4 or Phase 5) shall commence on the date of the issuance of the first building permit for new construction in the applicable Phase after the date of approval of this ordinance, Phase 4 for 555 Norwich Avenue, and Phase 5 for 575 Norwich Avenue, but not later than three (3) years from the issuance of the first building permit for new construction in each Phase and continue until the issuance of a Certificate of Occupancy for that Phase or three (3) years whichever occurs first; and

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that the Construction Period for Phases 4 and 5 for the structures at 555 Norwich Avenue or 575 Norwich Avenue respectively shall be calculated and run independently of each other for purposes of this ordinance; 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 South Mill (Ponemah Mill Building #2) made up of 555 Norwich Avenue and 575 Norwich Avenue shall be abated for a period of fifteen (15) years in accordance with the following schedule, the abatement scheduled to start at the conclusion of the Construction Period applicable to each Phase.

<u>Year</u>	<u>Percentage of Abatement on Real Property Improvements made during Phase 4 to 555 Norwich Avenue and Phase 5 to 575 Norwich Avenue to commence upon the conclusion of the Construction Period applicable to each Phase</u>	<u>Percentage of Taxation on the Real Property and Improvements to the same existing as of the date of the adoption of this ordinance and as such assessments may be revalued during any subsequent revaluation or as otherwise legally required</u>
1	75%	100%
2	75%	100%
3	75%	100%
4	75%	100%
5	75%	100%
6	50%	100%
7	50%	100%
8	50%	100%
9	50%	100%
10	50%	100%
11	25%	100%
12	25%	100%
13	25%	100%
14	25%	100%
15	25%	100%

AND BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that pursuant to Connecticut General Statute § 12-127a and Sec. 7-121.5 of the Norwich Code of Ordinances, should any portion of Ponemah Mill Building #2, the South Mill, be demolished or remodeled in a way which destroys its architectural or historic value after taxes on it have been abated, the owner at that time shall pay the city an amount equal to the total amount of taxes equal which had been abated under this ordinance; and

AND BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that building permit fees associated with the historic redevelopment and adaptive reuse for residential purposes of that portion of the South Mill located at 555 Norwich Avenue in Taftville shall be \$100,000, but excluding and excepting from this reduction and limitation any cost related to state fees, building permit or other fees required for electric vehicle (EV) charging stations, fees for the issuance of any certificates of occupancy, costs for any necessary third party plan review of construction documents and special inspections and any redevelopment of that portion of the South Mill located at 575 Norwich Avenue.

Mayor Peter Albert Nystrom
President Joseph A. DeLucia
Aldерwoman Stacy Gould