

AN ORDINANCE PROVIDING FOR THE ABATEMENT OF REAL ESTATE TAXES ON REAL ESTATE FOR THE HISTORIC REDEVELOPMENT, AND REUSE OF A PROPERTY COMMONLY REFERRED TO AS THE REID & HUGHES PROPERTY

WHEREAS, the City of Norwich was gifted property referred to as the Reid & Hughes Building (hereinafter the “Property”) which deteriorated over time, and which the city sought to demolish given its deteriorated condition; and

WHEREAS, as a result of proceedings conducted before the Historic Preservation Council State Historic Preservation Office Department of Economic and Community Development in 2016 and 2017 the city was precluded from doing so; and

WHEREAS, the city had previously sought and after this preclusion again sought a developer for the Property and subsequently entered into an agreement (hereinafter “Agreement”) with the Women’s Institute Realty of CT, Inc. for the rehabilitation and restoration of the Property; and

WHEREAS, during the term of this Agreement the Women’s Institute was able to perform work to stabilize the structure but was not able to proceed further to complete its project; and

WHEREAS, Heritage Reid Hughes LLC (hereinafter “Heritage”) acquired the Property from the Women’s Institute Realty of CT, Inc. by a Limited Warranty Deed recorded September 21, 2022 at volume 3375, page 167 of the Norwich Land Records, a copy of which is attached hereto as Exhibit 1; and

WHEREAS, the City of Norwich, in support of Heritage’s efforts to redevelopment the Property for its reuse agreed to work collaboratively with Heritage to establish a tax deferral schedule having in mind Heritage’s investment and efforts, the city’s obligation to collect tax revenues, and the support the city would be able to provide Heritage pursuant to Connecticut General Statute §§12-65b et seq. and 12-127a; and

WHEREAS, the Council of the City of Norwich, exercising its authority under the referenced statutes, finds it to be in the best interest of the City of Norwich to abatement a certain portion of the taxes which would otherwise be due on the Property for a limited period of time; and

WHEREAS, Heritage is in the process of completing its redevelopment of the Property to provide for retail space on the ground floor off Main Street and provision for seventeen (17) market rate apartments; and

WHEREAS, the Council finds it to be in the best interest of the City of Norwich to support Heritage’s investment and efforts towards the restoration and reuse of the Property for a period of seven (7) years to commence with the taxes due on the Grand List of October 1, 2025 by limiting the amount of taxes which Heritage will be obligated to pay

for the seven (7) years by multiplying the inclusive mill rate for each tax year as set by the Council to 35% of the full assessed value as set by the applicable Grand List.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that the real estate taxes on the Property be abated for a period of seven (7) commencing with the Grand List of October 1, 2025 with the amount of taxes due for each of the successive seven (7) tax years to be calculated by reducing the assessed value as established by each applicable Grand List for the applicable tax year to thirty-five percent (35%) of its full assessed value figure, the amount of taxes due in each such tax year to be determined by multiplying the inclusive mill rate for that tax year times thirty-five percent (35%) of the full assessed value for the Property in effect at that time; and

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that, pursuant to Connecticut General Statute §12-127a and §7-121.5 of the Norwich Code of Ordinances, if after taxes on the Property have been abated and the Property is demolished or remodeled in such a way which destroys its architectural or historical value, the then owner shall pay the city in an amount equal to the total amount of taxes which had been abated under this ordinance.

Mayor Peter Albert Nystrom
President Pro Tem Joseph A. DeLucia
Alderwoman Stacy Gould