

**AN ORDINANCE ESTABLISHING THE SACHEM FUND  
A CITY OF NORWICH ECONOMIC DEVELOPMENT AND  
CULTURAL IMPROVEMENT FUND**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH:

Section 1. The intent of this Ordinance is to establish a non-lapsing fund to be managed by the City of Norwich into which the City may appropriate funds from time to time, including budgeted funds, grants, donations, bond proceeds and any other available source of money, which will not lapse at the end of the fiscal year, and will be available in accordance with the term of this Ordinance to further the economic development of the City of Norwich and the cultural experience of its residents and tourists.

Section 2. The name of the fund shall be the "Sachem Fund".

Section 3. The Sachem Fund may be expended to: (1) restore blighted buildings or those in disrepair and to finance the purposes of Article 5, Division 3 of the Code of Ordinances entitled "Abandoned and Blighted Buildings"; (2) enhance any property within the enterprise zone established pursuant to Section 7-191 of the Code of Ordinances; (3) finance the purposes of Article 5, Division 4, "Mill Enhancement Program"; (4) finance the purposes of the establishment, improvement, and preservation of the historic district, including any expenditure or purpose authorized pursuant to Chapter 14, Article 2 of the Code of Ordinances; (5) finance any activity authorized to be undertaken by the redevelopment agency created pursuant to Chapter 17, Section 17-9 of the Code of Ordinances, including the provisions of Section 8-124 through 8-139 of the Connecticut General Statutes; (6) finance tourism within the City of Norwich, including any activity authorized to be undertaken by 7-330 of the Connecticut General Statutes; (7) improve the quality of life in the City's neighborhoods, including to finance any neighborhood plan adopted by the City Council and specifically including plans adopted for the Downtown Norwich Neighborhood Revitalization Zone and Greenville Neighborhood Revitalization Zone; (8) to finance the purposes of urban renewal, redevelopment or community development, as authorized by the general statutes; (9) finance the services, purposes and programs of hospitals, non-profit museums and libraries and other private organizations performing a public function; (10) provide for planting, rearing and preservation of shade and ornamental trees on the streets and public grounds; (11) to improve the City's waterfront; and (12) for entertainment, amusements, concerts, celebrations and cultural activities.

Section 4. Expenditures from the Sachem Fund shall be made in the same manner as an expenditure or appropriation from any other non-lapsing fund of the City, including an appropriation approved and authorized as part of adoption of a City budget, or by resolution if the expenditure occurs outside of the budget adoption process. Appropriations to the Fund shall be made in the same manner as any appropriation pursuant to the City Charter. The City may accept by resolution grants and donations

directly for the Sachem Fund, apply for grants and upon receipt deposit them into the Sachem Fund, and issue its bonds, notes or other obligations of the City as authorized by law to fund a purpose of the Sachem Fund.

Section 5. The Sachem Fund shall be divided into a municipal account (the "Municipal Account") and a charitable account (the "Charitable Account"), and the Council in its discretion may combine such accounts or make additional accounts. Moneys derived from the City of Norwich, including taxes, bond proceeds, and supplemental appropriations, shall be deposited, expended and accounted for from the Municipal Account. Moneys derived from non City of Norwich sources including donations and earnings thereon (such non-municipal sources hereafter called "Donations") shall be deposited to the account specified by the Donor, provided, if no account is specified, or, if a State or Federal grant, the City may deposit the money in the account of its choice. Donor contributions may be transferred from one account to another upon the request of a Donor or by the City if the Donor did not specify an account, provided sufficient unencumbered or uncommitted amounts remain in the account from which the transfer is to be made.

Section 6. (a) Except as otherwise provided in this section, loans and grants made from the Sachem Fund shall be in accordance with such terms and conditions as the Council by resolution shall determine, including in the case of loans: security, interest rate, fees, mortgage security, terms of foreclosure and such terms and conditions as are in the best interests of the City including those customarily considered in commercial loan financing.

(b) Loans or grants from the Municipal Account to entities other than governments, 501(c)(3) or any entity described in Section 7-148(c)(2)(E) shall comply with the terms and conditions of the general statutes.

(c) Loans or grants from the Charitable Account shall be in accordance with such terms and conditions as the Sachem Fund Board (as hereafter defined) by resolution shall determine, including in the case of loans: security, interest rate, fees, mortgage security, terms of foreclosure and such terms and conditions as are in the best interests of the City including those customarily considered in commercial loan financing.

(d) Repayment of loans made from the Sachem Fund and expenses incurred to collect loans shall be credited to the Sachem Fund account for which the loan was advanced, unless the City Council otherwise provides.

Loans may, but are not required to, be made on terms more favorable, and to individual or entities and for purposes not otherwise served by the commercial loan market.

#### Section 7. Sachem Fund Board.

There is hereby established a "Sachem Fund Board" (hereafter the "Board") which shall be comprised of seven members: the Mayor, a sitting member of the City Council, the Director of the Department of Planning and Development, the City Comptroller, two appointees as determined by the City of Norwich Council, and a Member of the Mohegan Tribal Council as determined by it. Where a vacancy exists in a position designated a member, the acting, or if no acting, the deputy, of that position shall serve as an interim member pending appointment to the position.

The Board shall make recommendations to the City Council regarding expenditures from the Sachem Fund, and shall, unless otherwise prohibited by the terms of a specific donation, make determinations with respect to the Donor Account not inconsistent with the terms of the donation.

Section 8. The City Council shall possess all powers conferred by law to manage, invest and account for the Sachem Fund Assets and may proscribe by Council Resolution additional terms, conditions and procedures regarding Fund management and expenditure.