

CITY OF NORWICH EXPLANATORY TEXT November 8, 2022 Referendum

The Norwich City Council, at its meeting of August 1, 2022, adopted an appropriation and borrowing ordinance in the amount of \$385,000,000 in connection with the City of Norwich School Construction Program (2022) and, on August 15, 2022, further voted to submit the appropriation and bonding authorization, in accordance with the City Charter, to the voters of Norwich for approval or disapproval at a referendum to be held in conjunction with the November 8, 2022 election between the hours of 6:00 a.m. and 8:00 p.m. Pursuant to Sec. 9-369b of the Connecticut General Statutes, as amended, the City Council has authorized the City and Town Clerk to prepare an explanatory text with respect to the question. The explanatory text is set forth under the question below. This explanatory text will be furnished to each applicant for an absentee ballot and will be made available for public distribution and at the polling places. The full text of the appropriation and bonding ordinance, as approved by the City Council, is on file and available for public inspection at the Office of the City and Town Clerk, City Hall, 100 Broadway, Room 215, Norwich, CT 06360, during the Office's regular business hours. The appropriation and bond authorization to be voted on shall be placed on the ballot under the following ballot heading:

“Shall the ordinance entitled ‘AN ORDINANCE APPROPRIATING \$385,000,000 FOR THE CITY OF NORWICH SCHOOL CONSTRUCTION PROGRAM, INCLUDING PROPERTY ACQUISITION, DESIGN, ENGINEERING, ENVIRONMENTAL ASSESSMENT AND REMEDIATION, CONSTRUCTION, INSTALLATION, REPAIR, RENOVATION AND ADDITION OF VARIOUS SCHOOL FACILITIES AND AUTHORIZING THE ISSUE OF \$385,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE’, as adopted by the City Council on August 1, 2022, be approved? YES NO”

Explanation

Q. What projects are planned in this School Construction Program?

A. The Program includes the consolidation of the school district's seven elementary schools into four new, larger schools on the sites of the Stanton, Moriarty, Uncas, and former Greenville schools; either renovating-as-new or replacing Teachers' Memorial School on the existing site; and renovating Huntington School as the new home for the City's adult education program and the Board of Education administrative offices.

Q. What will the debt service cost be to Norwich property taxpayers?

A. Of the \$385 million appropriation, the City anticipates that it will bond for between \$97 million and \$153 million, depending on the level of reimbursement from State of Connecticut school construction grants and any other funding sources that the City is able to obtain. The bonds are expected to be issued over four to six years to match the cash

flow needs of the City during construction and will be repaid over up to 30 years. The average mill rate increase caused by the Program during the first 10 years following the start of the Program could range between 2.9 mills and 4.6 mills.

Q. Why is the City proposing the School Construction Program?

A. The City's schools were constructed between 1925 and 1975. Kelly Middle School completed a renovation in 2013. The City is proposing this program as an alternative to the estimated \$225 million cost of repairing all of its existing schools which likely would not be eligible for grant reimbursement.