

2015 -- H 5008

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

AUTHORIZING THE TOWN OF JAMESTOWN TO PURCHASE 138 NARRAGANSETT AVENUE IN SAID TOWN AND TO FINANCE THE PURCHASE AND RENOVATION THEREOF BY THE ISSUANCE OF NOT MORE THAN \$1,500,000 BONDS AND NOTES THEREFOR

Introduced By: Representative Deborah L.Ruggiero

Date Introduced: January 08, 2015

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. The town of Jamestown is hereby empowered, in addition to authority
2 previously granted, to issue bonds to an amount not exceeding one million five hundred thousand
3 dollars (\$1,500,000.00) from time to time under its corporate name and seal or a facsimile of such
4 seal. The bonds of each issue may be issued in the form of serial bonds or term bonds or a
5 combination thereof and shall be payable either by maturity of principal in the case of serial
6 bonds or by mandatory serial redemption in the case of term bonds, in annual installments of
7 principal, the first installment to be not later than five (5) years and the last installment not later
8 than thirty (30) years after the date of the bonds. For each issue the amounts payable annually for
9 principal and interest combined either shall be as nearly equal from year to year as is practicable
10 in the opinion of the officers authorized to issue the bonds, or shall be arranged in accordance
11 with a schedule providing for a more rapid amortization of principal.

12 SECTION 2. The bonds shall be signed by the manual or facsimile signatures of the
13 finance director of the town and the president of the town council and shall be issued and sold in
14 such amounts as the town council may authorize by resolution. The manner of sale,
15 denominations, maturities, interest rates and other terms, conditions and details of any bonds or
16 notes issued under this act may be fixed by the resolution of the town council authorizing the
17 issue or by separate resolution of the town council or, to the extent provisions for these matters

1 are not so made, they may be fixed by the officers authorized to sign the bonds or notes. The
2 proceeds derived from the sale of the bonds shall be delivered to the finance director, and such
3 proceeds exclusive of premiums and accrued interest shall be expended for: (1) The purchase of
4 the land and improvements at 138 Narragansett Avenue in said Town, sometimes also designated
5 as tax assessor's map 8 lot 79 and all costs incidental thereto; (2) The renovation, repair and/or
6 expansion of the improvements thereon and equipment therefor; (3) In payment of the principal
7 of or interest on temporary notes issued under section 3 of this act; or (4) In repayment of
8 advances under section 4 of this act. No purchaser of any bonds or notes under this act shall be in
9 any way responsible for the proper application of the proceeds derived from the sale thereof. The
10 project shall be carried out and all contracts made therefor on behalf of the town by the town
11 council, or as may be heretofore or hereafter otherwise directed by the town council. Without
12 limiting the generality of the foregoing, the town administrator's actions in entering into a
13 purchase and sale agreement for such real estate and the consummation of such transaction are
14 hereby ratified and approved by the passage of this act by the voters as provided for in section 11
15 hereof. The proceeds of bonds or notes issued under this act, any applicable federal or state
16 assistance and the other monies referred to in section 6 of this act shall be deemed appropriated
17 for the purposes of this act without further action than that required by this act. The bond issue
18 authorized by this act may be consolidated for the purposes of issuance and sale with any other
19 bond issue of the town heretofore or hereafter authorized, provided that, notwithstanding any
20 such consolidation, the proceeds from the sale of the bonds authorized by this act shall be
21 expended for the purposes set forth above.

22 SECTION 3. The town council may by resolution authorize the issue from time to time
23 of interest bearing or discounted notes in anticipation of the authorization or issue of bonds or in
24 anticipation of the receipt of federal or state aid for the purposes of this act. The amount of
25 original notes issued in anticipation of bonds may not exceed the amount of bonds which may be
26 issued under this act and the amount of original notes issued in anticipation of federal or state aid
27 may not exceed the amount of available federal or state aid as estimated by the finance director.
28 Temporary notes issued hereunder shall be signed by the finance director and by the president of
29 the town council and shall be payable within five (5) years from their respective dates, but the
30 principal of and interest on notes issued for a shorter period may be renewed or paid from time to
31 time by the issue of other notes hereunder, provided the period from the date of an original note
32 to the maturity of any note issued to renew or pay the same debt or the interest thereon shall not
33 exceed five (5) years.

34 SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu

1 of any authorization or issue of notes hereunder, the finance director, with the approval of the
2 town council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the
3 treasury of the town to the purposes specified in section 2, such advances to be repaid without
4 interest from the proceeds of bonds or notes subsequently issued or from the proceeds of
5 applicable federal or state assistance or from other available funds.

6 SECTION 5. Any proceeds of bonds or notes issued hereunder or of any applicable
7 federal or state assistance, pending their expenditure may be deposited or invested by the finance
8 director, in demand deposits, time deposits or savings deposits in banks which are members of the
9 Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United States
10 of America or by any agency or instrumentality thereof or as may be provided in any other
11 applicable law of the state of Rhode Island.

12 SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder
13 shall be applied to the payment of the first interest due thereon. Any premiums arising from the
14 sale of bonds or notes hereunder and any earnings or net profit realized from the deposit or
15 investment of funds hereunder shall, in the discretion of the finance director, be applied to the
16 cost of preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise
17 provided, to the payment of the cost of the projects or to the cost of additional improvements
18 coming within the description of the projects in section 2 of this act, to the payment of the
19 principal of or interest on bonds or notes issued hereunder or to any one or more of the
20 foregoing. The cost of preparing, issuing and marketing bonds or notes hereunder may also, in the
21 discretion of the finance director, be met from bond or note proceeds exclusive of accrued interest
22 or from other monies available therefor. Any balance of bond or note proceeds remaining after
23 payment of the cost of the projects and said additional improvements and the cost of preparing,
24 issuing and marketing bonds or notes hereunder shall be applied to the payment of the principal
25 of or interest on bonds or notes issued hereunder. In exercising any discretion under this section,
26 the finance director shall be governed by any instructions adopted by resolution of the town
27 council. The finance director is authorized to take any action deemed by him or her necessary to
28 assure that interest on the bonds or notes issued hereunder remains excludable from gross income
29 of the recipients thereof for federal income tax purposes, including, without limitation: (1) Paying
30 to the federal government any rebate of earnings derived from the deposit or investment of the
31 proceeds of such bonds or notes that may be required therefor; and (2) To comply with the
32 requirements of federal law, including, without being limited to, regulations and other
33 requirements of the Securities and Exchange Commission and the Municipal Securities
34 Rulemaking Board, imposed directly on the town or on the underwriters of such bonds and notes.

1 SECTION 7. All bonds or notes issued under this act and the debts evidenced thereby
2 shall be obligatory on the town in the same manner and to the same extent as other debts lawfully
3 contracted by it and shall be excepted from the operation of § 45-12-2 of the general laws. No
4 such obligation shall at any time be included in the debt of the town for the purpose of
5 ascertaining its borrowing capacity. The town shall annually appropriate a sum sufficient to pay
6 the principal and interest coming due within the year on bonds and notes issued hereunder to the
7 extent that monies therefor are not otherwise provided. If such sum is not appropriated, it shall
8 nevertheless be added to the annual tax levy. In order to provide such sum in each year and
9 notwithstanding any provision of law to the contrary, all taxable property in the town shall be
10 subject to ad valorem taxation by the town without limitation as to rate or amount.

11 SECTION 8. Any bonds or notes issued under the provisions of this act, if properly
12 executed by officers of the town in office on the date of execution, shall be valid and binding
13 according to their terms notwithstanding that before the delivery thereof and payment therefor
14 any or all of such officers shall for any reason have ceased to hold office.

15 SECTION 9. The town, acting by resolution of its town council is authorized to apply
16 for, contract for and expend any federal or state advances or other grants or assistance which may
17 be available for the purposes of this act, and any such expenditures may be in addition to other
18 monies provided in this act. To the extent of any inconsistency between any law of this state and
19 any applicable federal law or regulation, the latter shall prevail. Federal and state advances, with
20 interest where applicable, whether contracted for prior to or after the effective date of this act,
21 may be repaid as project costs under section 2.

22 SECTION 10. Bonds and notes may be issued under this act without obtaining the
23 approval of any governmental agency or the taking of any proceedings or the happening of any
24 conditions except as specifically required by this act for such issue. Without limiting the
25 generality of the foregoing, bonds and notes may be issued under this act without any action at
26 the financial town meeting. In carrying out any project financed in whole or in part under this act,
27 including where applicable the condemnation of any land or interest in land, and in the levy and
28 collection of assessments or other charges permitted by law on account of any such project, all
29 action shall be taken which is necessary to meet constitutional requirements whether or not such
30 action is otherwise required by statute, but the validity of bonds and notes issued hereunder shall
31 in no way depend upon the validity or occurrence of such action. To the extent of any
32 inconsistency between this act and the town charter, this act shall prevail.

33 SECTION 11. The question of the approval of this act shall be submitted to the electors
34 of the town at an election on a date to be determined by the town council which occurs at least

1 thirty (30) days after the passage of this act. The question shall be submitted in substantially the
2 following form: "Shall an act, passed at the 2015 session of the general assembly, entitled 'AN
3 ACT AUTHORIZING THE TOWN OF JAMESTOWN TO PURCHASE 138
4 NARRAGANSETT AVENUE IN SAID TOWN, AND TO FINANCE THE PURCHASE AND
5 RENOVATION THEREOF BY THE ISSUANCE OF NOT MORE THAN \$1,500,000 BONDS
6 AND NOTES THEREFOR' be approved?" and the warning for the election shall contain the
7 question to be submitted. The town board of canvassers may combine any two (2) or more voting
8 districts for the election and when so combined shall be treated as a single voting district. If so
9 combined, the town board of canvassers shall advertise the combination of districts in a
10 newspaper of general circulation in the town. From the time the election is warned and until it is
11 held, it shall be the duty of the town clerk to keep a copy of the act available at his or her office
12 for public inspection, but the validity of the election shall not be affected by this requirement.

13 SECTION 12. This section and section 11 shall take effect upon passage. The remainder
14 of this act shall take effect upon the approval of this act by a majority of those voting on the
15 question at the election prescribed by section 11.

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