

ORDINANCE

IT IS HEREBY ORDAINED BY THE TOWN OF SMITHFIELD AS FOLLOWS:

CHAPTER 294

ORDINANCE APPROVING AND AUTHORIZING THE ISSUE OF NOT TO EXCEED \$200,000 APPROPRIATION NOTES OR OTHER APPROPRIATION OBLIGATIONS FOR THE PURPOSE OF FINANCING THE TOWN'S COMMUNITY SEPTIC SYSTEM LOAN PROGRAM.

Sec. 294-38. Community Septic System Loan Program Appropriation Notes

WHEREAS, the Town is developing a program under which to structure its borrowings with the Rhode Island Infrastructure Bank to establish a Community Septic System Loan Program, and

WHEREAS, the Town is proposing to fund loans to residents of the Town through its Community Septic System Loan Program for the repair or replacement of onsite wastewater systems; and

WHEREAS, the Town will finance these loans to residents with a borrowing from the Rhode Island Infrastructure Bank.

NOW, therefore, the Town of Smithfield hereby ordains as follows:

1. The sum of Two Hundred Thousand Dollars (\$200,000) is appropriated for the purpose of making loans to residents under the Town's Community Septic System Loan Program under criteria established by the Town from time to time for the repair or replacement of onsite wastewater systems (the "Project"). The period of usefulness of the Project is expected to be not less than twenty-five (25) years.
2. In accordance with Chapter 46-12.2 of the Rhode Island General Laws, the Town Manager and Town Treasurer are authorized to finance the Project through an appropriation note or other appropriation obligations (the "Notes") in an amount not exceeding Two Hundred Thousand Dollars (\$200,000) issued to the Rhode Island Infrastructure Bank, to evidence such loan, subject to annual appropriation therefor by the Town and not as a general obligation of the Town. The said officers are authorized, directed and empowered to enter into a Loan Agreement with the Rhode Island Infrastructure Bank and any and all related agreements, certificates and other documents deemed necessary or desirable to implement the Project and issue the Notes (collectively, the "Financing Documents"), and to do and perform all such other acts and things deemed by said officers to be necessary, desirable or advisable with respect to any matters contemplated by this Ordinance in order to effectuate said borrowing and the intent thereof.

3. The manner of sale and the forms, denominations, maturities, interest rates and other details of the Notes and the form and other details, terms and conditions of the Financing Documents shall be fixed by the said officers.
4. The Town Manager and the Town Treasurer are hereby authorized, if required, to take all lawful action necessary under the Internal Revenue Code of 1986, as amended (the "Code"), to ensure that the interest of the Notes will remain exempt from federal income taxation to the extent provided in Section 103 of the Code, and to refrain from taking any action which will cause interest on the Notes to lose the benefit of exclusion from gross income provided by Section 103(a) of the Code.
5. This Ordinance is an affirmative action of the Town Council of the Town toward the issuance of Notes in accordance with the purposes of the laws of the State. This Ordinance constitutes the Town's declaration of official intent, pursuant to Treasury Regulations Sec. 1.150-2, to reimburse the Town funds and accounts for certain expenditures for the Project paid on or after the date which is sixty (60) days prior to the date of this Ordinance but prior to the issuance of the Notes. Such amounts to be reimbursed shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid or (b) the date the particular project is placed in service or abandoned, but in no event more than three (3) years after the date the expenditure is paid.
6. Nothing contained herein, or in the Financing Documents or any other instrument shall be construed with respect to the Town as incurring a pecuniary liability or charge upon the general credit of the Town or against its taxing power, nor shall the breach of any agreement contained in this Ordinance, the Financing Documents or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Town or any charge upon its general credit or against its taxing power, except to the extent that the payments payable under the Financing Documents are special limited obligations of the Town.

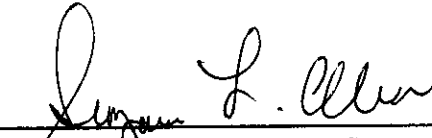
THIS ORDINANCE WILL BECOME EFFECTIVE AT THE EXPIRATION OF THIRTY (30) DAYS AFTER ADOPTION.

APPROVED AS TO ITS FORM AND LEGALITY:



TOWN SOLICITOR

ADOPTED: October 4, 2022


TOWN COUNCIL PRESIDENT


ACTING TOWN CLERK

