

STATE OF CONNECTICUT

BY HER EXCELLENCY

M. JODI RELL

EXECUTIVE ORDER NO. 36

WHEREAS, the United States Congress has passed and President Obama has signed into law a comprehensive federal economic stimulus package to create jobs and stimulate growth known as the American Recovery and Reinvestment Act of 2009 (“ARRA”); and

WHEREAS, Sections 1400U-1 and 1400U-2 of the Internal Revenue Code of 1986, as amended (the “Code”), in conjunction with Section 1401 of Title 1 of Division B of the ARRA, authorize state and local governments to issue Recovery Zone Economic Development Bonds to finance expenditures for purposes of promoting economic activity (“Qualified Economic Development Purposes”) within or attributable to Recovery Zones designated by the issuer of such Recovery Zone Economic Development Bonds;

WHEREAS, Sections 1400U-1 and 1400U-3 of the Code further authorize state and local governments to issue Recovery Zone Facility Bonds to finance facilities (“Recovery Zone Facilities”) used in or attributable to the active conduct of a trade or business in a Recovery Zone;

WHEREAS, Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds (together, “Recovery Zone Bonds”) are a significant resource for the State to stimulate economic activity, increase employment opportunities and mitigate the harmful effects of the national recession in areas with significant poverty, unemployment, rates of home foreclosures or general distress, among other criteria set forth in Section 1400U-1(b);

WHEREAS, Section 1400U-1 of the Code imposes national bond volume limitations (each a “Recovery Zone Volume Cap”) on the issuance of Recovery Zone Bonds which is allocated among the states and among counties and large municipalities within the states based on relative declines in employment in 2008;

WHEREAS, Connecticut counties and municipalities with a population in excess of 100,000 (each a “Large Municipality”) have received allocations of Recovery Zone Volume Cap for Recovery Zone Economic Development Bonds in the aggregate amount of \$90,000,000 and Recovery Zone Volume Cap for Recovery Zone Facility Bonds in the aggregate amount of \$135,000,000, as described in Notice 2009-50 issued by the Internal Revenue Service on June 12, 2009 (the “Notice”);

WHEREAS, the Recovery Zone Volume Caps for Recovery Zone Economic Development Bonds and for Recovery Zone Facility Bonds have been allocated to the Counties and Large Municipalities in the State in the amounts set forth in Exhibit A hereto;

WHEREAS, Sections 1400U-2 and 1400U-3 of the Code further provide that all Recovery Zone Bonds must be issued prior to January 1, 2011, and, by virtue of such requirement, it is imperative that the Recovery Zones in the State be designated, and Qualified Economic Development Purposes and Recovery Zone Facilities be identified as soon as possible in order to assure that the resources provided by Recovery Zone Bonds are utilized in the State prior to that date;

WHEREAS, Section 1400U-1(b) of the Code provides, in part, that a Recovery Zone may be any area having significant poverty, unemployment, rate of home foreclosures or general distress, among other criteria;

WHEREAS, as of the date hereof various municipalities in the State as set forth in Exhibit B hereto have heretofore been designated or currently qualify as federal entitlement communities as designated by federal Housing and Urban Development, enterprise zone communities designated in accord with Sections 32-70, 32-70(b), 32-56 and 32-80 of the General Statutes of Connecticut, Revision of 1958, as amended (the "General Statutes") and public investment communities as described in Chapter 116c of the General Statutes, which categories satisfy the requirements for designation as Recovery Zones;

WHEREAS, Section 1400U-1(a) (3) (A) of the Code and the Notice provide that any County or Large Municipality may waive any portion of its Recovery Zone Volume Cap to the State and upon such waiver the State is authorized to reallocate the waived Recovery Zone Volume Cap in any reasonable manner as it shall determine in good faith in its discretion;

WHEREAS, the Notice provides that in the event a County or Large Municipality does not possess substantial taxing, eminent domain and police powers any entity the jurisdiction of which includes such County or Large Municipality, including the State, may issue and designate Recovery Zone Bonds on behalf of such County or Large Municipality;

WHEREAS, Hartford, New Haven, New London, Fairfield, Windham, Litchfield, Middlesex and Tolland Counties (the "Abolished Counties"), being all the counties previously existing in the State, were abolished as of October 1, 1960 by Public Act No. 59-152 and therefore no longer possess the foregoing powers;

WHEREAS, all powers and duties of the Abolished Counties have been vested in the State;

WHEREAS, the State has been authorized by general and special laws heretofore enacted to issue bonds to finance projects and purposes which may constitute Qualified Economic Development Purposes; and

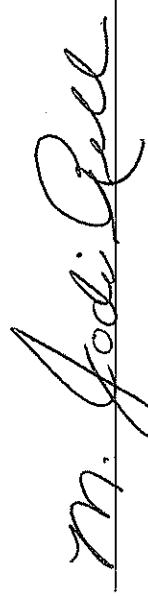
WHEREAS, the Connecticut Development Authority ("CDA") is authorized to issue bonds pursuant to Chapter 579 of the General Statutes of Connecticut, Revision of 1958, as amended, to finance projects which meet the requirements for Recovery Zone Facilities;

NOW, THEREFORE, I, M. JODI RELL, Governor of the State of Connecticut, by virtue of the power and authority vested in me by the Constitution and statutes of the State of Connecticut do hereby issue this Order and determine and direct as follows:

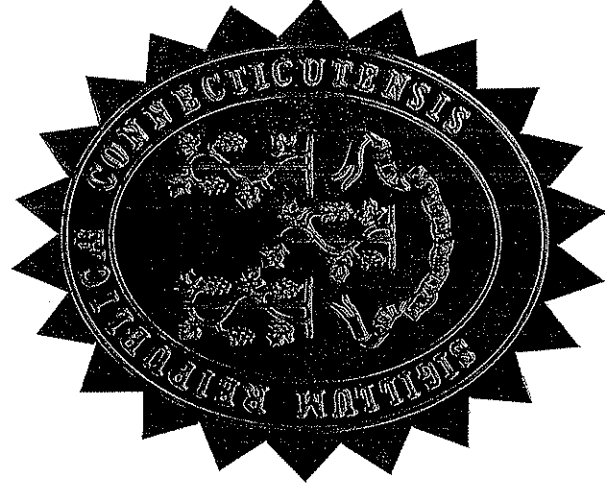
1. Those municipalities in the State which as of the date of this executive order qualify as federal entitlement communities designated by federal Housing and Urban Development, enterprise zone communities designated in accord with Sections 32-70, 32-70(b), 32-56 and 32-80 of the General Statutes and public investment communities as described in Chapter 116c of the General Statutes, are hereby designated as Recovery Zones for purposes of Sections 1400U-1 through 1400U-3 of the Code. This designation shall pertain to any Recovery Zone Bonds issued by the State and any other issuer qualified to issue such bonds under federal tax law, including CDA or any Large Municipality or any other issuer which is a recipient of Recovery Zone Volume Cap, subject to ratification of such designation by such issuer.
2. The Recovery Zone Volume Cap allocated to the Abolished Counties is hereby deemed waived to the State in accordance with Section 1400U-1(b) of the Code and the Notice.
3. To ensure that the State does not lose available Recovery Zone Bond funds, the Executive Director of the CDA, in consultation and agreement with the Department of Economic and Community Development ("DECD"), shall seek affirmative waivers to the State from Large Municipalities of any Recovery Zone Volume Cap allocated to such Large Municipalities that the Executive Director determines has not been allocated to Qualified Economic Development Purposes or Recovery Zone Facilities by March 31, 2010.
4. All Recovery Zone Volume Cap that is deemed waived to the State pursuant to paragraph 2 of this Order or that is affirmatively waived to the State by a Large Municipality pursuant to paragraph 3 of this order is hereby reallocated to CDA. CDA, in consultation and agreement with DECD, may reallocate all or any portion of such Recovery Zone Volume Cap to such Qualified Economic Development Purposes or to such Recovery Zone Facilities, as applicable, as CDA, in consultation and agreement with DECD, shall determine to be in the best interests of the State. In the case of "deemed waivers" under paragraph 2, the waived allocation shall be allocated to the financing of eligible costs for Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, located within, or attributable to, both the jurisdiction of the issuer of the bonds and the jurisdiction of the Abolished County that received the volume cap allocation under §1400U-1(a)(3)(A); provided however, that this limitation shall not apply to the extent that amendments to the Code or guidance from the Internal Revenue Service provide that such limitation is not required by the ARRA. All Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds issued under any reallocations shall be issued by CDA or by such other issuer as CDA, in consultation and agreement with DECD, shall approve. All reallocations of Recovery Zone Volume Cap by CDA shall be consistent with and pursuant to Sections 1400U-1 through 1400U-3 of the Code (as the same may be amended from time-to-time), the Notice (as the same may be amended or supplemented) and this Order.
5. Each reallocation of Recovery Zone Volume Cap made by CDA shall be in writing, shall be made for specific Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and shall specify the date on or before which the Recovery Zone Bonds to which such reallocated Recovery Zone Volume Cap pertains shall be issued in order for the allocation to be effective. Allocations may be made subject to those conditions that CDA, in consultation and agreement with DECD, deems appropriate and consistent with this Order.
6. CDA or CDA's designee, in consultation and agreement with DECD, is authorized to make all representations, file all documents and take all other actions in the name and on behalf of the State as may be required for compliance with Sections 1400U-1 through 1400U-3 of the Code and to implement this Order. In the event that responsibilities under this Order are assigned to any issuer of Recovery Zone Bonds other than CDA, appropriate provisions for designations shall be made by CDA in consultation and agreement with DECD. All designations made pursuant to this section shall be evidenced in writing.

7. CDA shall make available to the public information as to the amount of the Recovery Zone Volume Cap allocated to the State and to any County or Large Municipality that has not yet been reallocated to Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and the expiration dates for all reallocations by CDA, and shall confirm, upon request, an allocation of the Recovery Zone Volume Cap to a particular Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and the duration thereof.
8. Prior to making any allocations of Recovery Zone Volume Cap, CDA, in consultation and agreement with DECD, shall adopt guidelines governing the allocation and reallocation of Recovery Zone Volume Cap by the State.
9. This Order shall take effect immediately.

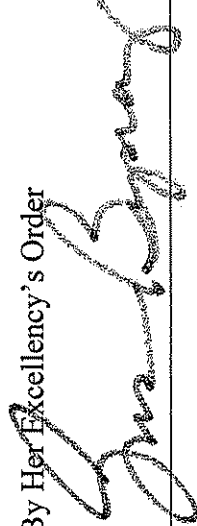
Dated at Hartford, Connecticut this day 15th of December, 2009



M. Jodi Reil, Governor



By Her Excellency's Order



Susan Bysiewicz, Secretary of the State

Exhibit A

Connecticut Allocation under the Recovery Zone Bond Program

AREA	RZEDBs	RZFBs	TOTAL
Bridgeport	\$4,003,000	\$6,004,000	\$10,007,000
Hartford	\$1,096,000	\$1,399,000	\$2,495,000
New Haven	\$2,248,000	\$3,371,000	\$5,619,000
Stamford	\$4,428,000	\$6,642,000	\$11,070,000
Waterbury	\$5,386,000	\$8,079,000	\$13,465,000
Fairfield County	\$26,837,000	\$40,255,000	\$67,092,000
Hartford County	\$9,935,000	\$14,903,000	\$24,838,000
Litchfield County	\$1,795,000	\$2,693,000	\$4,488,000
Middlesex County	\$2,700,000	\$4,050,000	\$6,750,000
New Haven County	\$18,791,000	\$28,187,000	\$46,978,000
New London County	\$6,459,000	\$9,689,000	\$16,148,000
Tolland County	\$1,944,000	\$2,916,000	\$4,860,000
Windham County	\$4,468,000	\$6,702,000	\$11,170,000
TOTAL	\$90,000,000	\$135,000,000	\$225,000,000

Exhibit B

Connecticut Municipalities that are Designated Recovery Zones

Municipality							
1 Ansonia	17	Enfield	32	New Britain	48	Sterling	
2 Ashford	18	Fairfield	33	New Haven	49	Stratford	
3 Beacon Falls	19	Greenwich	34	New London	50	Thomaston	
4 Bloomfield	20	Griswold	35	North Canaan	51	Thompson	
5 Bridgeport	21	Groton	36	Norwalk	52	Torrington	
6 Bristol	22	Hamden	37	Norwich	53	Vernon	
7 Brooklyn	23	Hampton	38	Plainfield	54	Voluntown	
8 Canterbury	24	Hartford	39	Plainville	55	Waterbury	
9 Chaplin	25	Killingly	40	Plymouth	56	West Hartford	
10 Colchester	26	Lisbon	41	Portland	57	West Haven	
11 Danbury	27	Manchester	42	Putnam	58	Wethersfield	
12 Derby	28	Meriden	43	Seymour	59	Winchester	
13 East Hampton	29	Middletown	44	Southington	60	Windham	
14 East Hartford	30	Milford	45	Sprague	61	Windsor	
15 East Haven	31	Naugatuck	46	Stafford	62	Wolcott	
16 East Windsor			47	Stamford			