

CHAPTER 33
FORMERLY
HOUSE BILL NO. 62

AN ACT TO AMEND THE CHARTER OF THE CITY OF HARRINGTON RELATING TO CITY ELECTED OFFICES AND CITY FINANCES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Section 5.2.3 of the City of Harrington by making deletions as shown by strike through and insertions as shown by underline as follows:

5.2.3. Limitation on Terms. ~~There will be no term limits on a person who holds the Office of Mayor under this Charter. There will be no term limits on a person who holds the Office of Council Person, under this Charter. No person shall serve as Mayor for more than two (2) consecutive terms. No person shall serve as a member of Council for more than three (3) consecutive terms. If no eligible candidate files a petition for the office of a term-limited incumbent within the time prescribed by this Charter, the incumbent may remain in office for another term.~~

Section 2. Amend Section 16.2.1 of the City of Harrington by making deletions as shown by strike through and insertions as shown by underline as follows:

16.2.1 Limit on Borrowing and Aggregate Indebtedness without Voter Approval; Super-Majority Vote. Subject to the provisions of this Section 16.2. 1, the City Council shall have the power to borrow money on the full faith and credit of the City for the payment of principal thereof and interest due thereon, without approval of the voters and without regard to the provisions of Section 16.3 of this Charter, ~~such sum or sums not exceeding in the aggregate a sum equal to three and one half percent (3.5%) of the total assessed value of all non tax exempt real property situated within the bounds of the City of Harrington as such boundaries shall from time to time appear,~~ for those specific municipal purposes specified in Section 16.2.3, when, in the opinion of at least five (5) members of the City Council, the needs of the City require it; provided, however, that any new borrowings under Section 16.2 made after the effective date of this Act, shall, by their terms, be repayable in full within ~~thirty (30)~~ forty (40) years of the date of each such borrowing. Any sum or sums so borrowed shall be secured by a promissory note or notes or other evidence of indebtedness of the Mayor and Council duly authorized by Resolution adopted by at least five (5) members of the City Council and signed by the Mayor and attested by the Clerk of Council with the town seal affixed. Any sum(s) of money borrowed on the full faith and credit of the City shall be paid from the general funds of the City.

(a) The sum or sums of such borrowing without approval of the voters shall not exceed in the aggregate sum equal to three and one half percent (3.5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the City of Harrington as such boundaries shall from time to time appear.

(b) The limit of aggregate sum equal to three and one half percent (3.5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the City of Harrington shall not apply to the refinancing of existing indebtedness if such refinancing results in cost savings to the City by reducing the term or interest rate on the debt. If the refinancing of the indebtedness would result in an increase in the remaining overall amount of

interest paid or an extension of the time to repay the debt, then the provisions of Section 16.3 of this Charter shall be followed.

(c) The limit of aggregate sum equal to three and one half percent (3.5%) of the total assessed value of all non-tax-exempt real property situated within the bounds of the City of Harrington shall not apply to financing in which the principal amount is guaranteed to be forgiven at the completion of the project for which the financing applies. Such financing generally acts as a loan during construction and then the principal amount does not have to be repaid upon completion of the project, so therefore, is much like a grant.

Approved June 8, 2017