

THE CITY OF PROVIDENCE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

No. 612

Approved November 16, 1984

RESOLUTION AUTHORIZING THE OFFICE OF ECONOMIC DEVELOPMENT ON BEHALF OF THE CITY OF PROVIDENCE TO PREPARE AND SUBMIT AN APPLICATION FOR AN URBAN DEVELOPMENT ACTION GRANT, AS AMENDED

WHEREAS, the filing of Urban Development Action Grants by the City of Providence is authorized by Title I, Section 119, Part 570, Subpart G, of the Housing and Community Development Act of 1974, as amended by Section 110 of the Housing and Community Development Act of 1977, and as finalized on January 10, 1978; and or subsequently amended; and

WHEREAS, the aforesaid Federal regulations authorize the Department of Housing and Urban Development to make grants to assist distressed cities and distressed urban counties in revitalizing their economic bases and reclaiming deteriorated neighborhoods by means of public and private sector cooperation; and

WHEREAS, the City of Providence deems it necessary and in the public interest (1) to revitalize its commercial and retail sectors, (2) to increase employment opportunities in the City, (3) to increase the City's tax base, (4) to encourage the cooperation of the public and private sectors to achieve these goals; and

WHEREAS, the City of Providence deems it appropriate to contribute to the aforementioned efforts by assuring the attraction, retention, and expansion of commerce especially in areas where revitalization is underway, and by arranging for financial support for such private business development projects; and

WHEREAS, Urban Development Action Grants are available for the activities and undertakings proposed herein.

NOW, THEREFORE, BE IT RESOLVED by the CITY COUNCIL of the CITY OF PROVIDENCE as follows:

1. It is hereby found necessary and in the public interest to file an application to the Department of Housing and Urban Development

for an Urban Development Action Grant for the repairs and renovation to the Biltmore Hotel to permit continued commercial use and maintain an important downtown landmark. Action Grant funds shall be loaned to the owners, Biltmore Associates, who shall undertake said rehabilitation of property at 11-17 Dorrance Street on Kennedy Plaza.

2. The Office of Economic Development is hereby authorized and designated as the representative of the City for filing the application with the Department of Housing and Urban Development, and to do all work necessary to carry out the term of the contract between the City and the Department of Housing and Urban Development relative to said Urban Development Action Grant.

3. That the United States of America and the Department of Housing and Urban Development be, and they are hereby assured of full compliance by the City of Providence with all regulations of the United States government effectuating the receipt of Federal Grants under the Housing and Community Development Act, as amended.

#### Hiring Practices.

A. Hiring Practices after the last paragraph being Section 3 as contained in and set forth on the appropriate page of the Resolution to Prepare and Submit an Application for an Urban Development Action Grant, as Amended (Biltmore Associates) which is part of the aforementioned Resolution. Further add the following Sections (1), (2), (3), (4A), (4B), (4C), (5), (6), (7) and (8) after the last sentence of Section 3.

#### 1. Goals.

There is a very high rate of unemployment in the City of Providence among both white and minority residents;

The subsequent multiplier effect of this high level of unemployment has a direct and deleterious effect upon all the neighborhoods of the City of Providence, resulting in the physical deterioration of neighborhoods, vandalism and crime;

The City of Providence expends Millions of dollars in contracts, part of this money derived from taxes paid by City residents.

Many workers employed on such projects are individuals who do not reside in the City of Providence;

Black, Hispanic, Asian and native American residents of the City of Providence as well as female residents have historically been systematically excluded from the construction trades and unions in the City of Providence;

#### 2. Definitions.

The following words as used in this Resolution shall, unless the context otherwise requires, have the following meanings:

"Minority Person" shall include those persons who are Black, Hispanic, Asian or native American.

"Resident" is any person for whom the principal place where that person normally eats and sleeps and maintains his or her normal personal and household effects is within the City limits for the City of Providence.

"Agency" shall mean Office of Economic Development.

### 3. Policy.

(a) On the Urban Development Action Grant Project (Biltmore Associates) the worker hours on a craft-by-craft basis shall be performed, in accordance with the contract documents provided for in Section 3 (b) below as follows:

- a. at least fifty percent of the total employee manhours in each trade shall be by bona fide Providence residents;
- b. at least twenty-five percent of the total employee manhours in each trade shall be by minorities;
- c. at least ten percent of the total employee manhours in each trade shall be by women.

For purposes of this paragraph, worker hours shall include work performed by persons filling apprenticeship and on-the-job training positions.

(b) In order to insure compliance with the Resolution, the provisions of this Resolution shall be included by the Agency in all contracts with any private corporation or individual for construction projects covered by this Resolution.

### 4. Compliance, Enforcement, Sanctions.

- (A). The Agency, as defined in Section 2, shall be designated as responsible for the planning, implementation and enforcement of this Resolution, and shall have the following duties:

#### Planning and Implementation.

Prior to the commencement of the project, or capital works, covered by this Resolution, the Agency shall:

- (1) review spending plans for such project:
  - (2) identify the number of job positions to be created by the project, upon completion of previous steps, the Providence Human Relations Commission shall take the following actions:
    - (1) in conjunction with appropriate unions and their existing collective bargaining agreements, recruit employees and arrange for training through established union apprenticeship programs; and
    - (2) establish a job screening and referral mechanism which shall refer City residents, minorities, and women to contractors and subcontractors to enable such contractors and subcontractors to comply with this Resolution.
- (B) The Agency shall be responsible for enforcing and monitoring compliance with the provisions of this Resolution and the contract provisions established in accordance therewith shall have the following duties:
- (1) to require all contractors and subcontractors affected by this Resolution to submit weekly workforce charts listing workers by name, residential address, craft, job category, hours worked, sex and race. These charts shall be public records.
  - (2) to negotiate with all contractors/developers in order to identify and classify construction jobs by job titles, hiring dates, duration and training.

- (3) to register all interested community-based organizations, and notify such organizations of any pre-bid or pre-construction conference between the Agency and Contractor relating to hiring requirements and goals as stated herein
- (C) The Agency shall have the power, by means of the contract provisions referred to in Section (3) above, to impose sanctions upon contractors and subcontractors found to be in non-compliance with this Resolution. Such sanctions shall include, but not be limited to; i) suspension of payments, ii) termination of the contract, iii) recovery by the City of 10% of the contract award price as liquidated damages, and iv) denial of right to participate in future projects for up to three years.

5. Liaison Committee.

The Agency shall establish a liaison committee which shall meet monthly, in a forum open to the public, to review the Agency's reports, monitor compliance with the provisions of the Resolution, and make recommendations to the Agency and the City Council regarding enforcement of this Resolution. The Agency shall accept nominations of up to three persons from any of the interested groups including, but not limited to: Union Contractors, Non-Union Contractors, State Office of Minority Business Assistance Contractor Association of Rhode Island, Training Agency personnel, Human Rights Activist Groups, Women's Organizations, Community Based Organizations and the Providence Chamber of Commerce. The Agency shall thereafter select one person from those nominations submitted by each organization to serve without compensation for a term of two years. This nomination and selection process shall be used to fill any vacancy.

6. Training Program.

The City of Providence shall establish or cause to be established, either independently or in concert with craft unions and construction contractors, job training programs to train minorities, Providence residents, and women for skilled or semi-skilled construction jobs. These programs shall be supervised by the Agency.

7. Fines.

Any person who provides false information regarding his or her residence address shall be subject to a fine of not more than \$200.

8. Independent Agencies.

Any and all activities of any independent agency, operating or acting on behalf of the City of Providence, including but not limited to, the Office of Economic Development shall comply with the provisions of this Resolution.

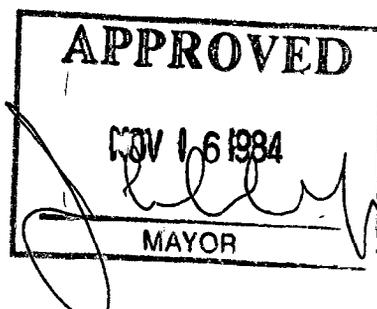
SEPARABILITY: The unconstitutionality or invalidity of any section or part thereof of this Resolution and amendments thereto shall not invalidate or impair the validity, force or effect of any other section or part thereof unless it clearly appears from the context that such other section or part thereof is wholly and necessarily dependent for its operation upon the section or part thereof held unconstitutional or invalid.

IN CITY COUNCIL

NOV 15 1984

READ AND PASSED

*Luis C. Stewart* PRES.  
*Michael R. Clement* CLERK  
*First Deputy*



RECEIVED  
CITY CLERK

IN CITY COUNCIL  
OCT 4 1984

FIRST READING  
REFERRED TO COMMITTEE ON

URBAN REDEVELOPMENT  
RENEWAL & PLANNING

Rose M. Mendonca  
CLERK

THE COMMITTEE ON *Oct. 29, 1984*  
URBAN REDEVELOPMENT  
RENEWAL & PLANNING

Recommends Be Continued

Michael R. Clement  
Nov. 8, 1984  
Clerk

THE COMMITTEE ON *Nov. 15, 1984*  
URBAN REDEVELOPMENT  
RENEWAL & PLANNING

Approves Passage of  
The Within Resolution

Michael R. Clement  
First Deputy City Clerk  
Chairman

Councilman Glavin, Councilman Dillon and Councilwoman Sargnoli (By Request)

CITY OF PROVIDENCE, RHODE ISLAND  
An Application For  
Urban Development Action Grant Funding  
To Assist the  
Revitalization of the Biltmore Hotel

## SUMMARY OF THE PROJECT AND ITS PARTICIPANTS

The City of Providence is applying for a \$2,050,000 Urban Development Action Grant to assist the revitalization of the Biltmore Hotel.

The amount of \$2,000,000 will be loaned to the development partnership by the City. The City administrative costs of \$50,000 are proposed to be in the form of a grant from the Department of Housing and Urban Development.

The Biltmore Hotel, one of the dominant buildings in Downtown Providence was partially rehabilitated in 1977. This initial rehabilitation of the lobby, exterior, and public spaces was not sufficient, however, to afford economic viability. The older small rooms must be expanded and the bathrooms modernized to provide the first class lodging facilities needed to attract business travelers to Downtown Providence from the outlying newer motels.

The General Partners of Providence Hotel Associates are (1), MHW Company headed by Mr. James R. Winoker, President of the Chamber of Commerce, Domenic A. Zinni, (2) a subsidiary of the Providence Journal Company and (3) the Dunfey Hotels Corporation. They have acquired the property from the former owners and the banks which had assumed control of the property.

The partnership will expend a total of \$16,475,000 to acquire and modernize the Biltmore as follows:

Acquisition	\$ 7,550,000
Renovation	8,925,000
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TOTAL	\$16,475,000

Financing will be obtained as follows:

UDAG	\$ 2,000,000
IRB	9,500,000
Syndication Proceeds	2,675,000
Developer Equity	2,300,000
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TOTAL	\$16,475,000

The 330 to 350 jobs saved by this project will produce a ratio of UDAG dollars per job of \$6,601 to \$5,714.

Cumulative UDAG loan payments made by the development partnership to the City of Providence will total \$3,009,000 over fifteen years.

The ratio of UDAG dollars to private investment is 4.08 to 1.