

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 613

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 as 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 "

for an Urban Development Action Grant for the renovation of the former Outlet Co. Building to permit retail and commercial use and maintain an important downtown landmark. Action Grant funds shall be loaned to the owners, CityPlace Associates, who shall undertake said rehabilitation of the property on Weybosset Street in the Downtown.

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 (CityPlace 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 (CityPlace 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

Louis C. Stravato PRES.
Richard R. Clement CLERK
First Deputy



RECEIVED
CITY CLERK
OCT 10 1984

IN CITY COUNCIL
OCT 4 1984
FIRST READING
REFERRED TO COMMITTEE ON
URBAN REDEVELOPMENT
RENEWAL & PLANNING

Rose M. Mendonca
CLERK

THE COMMITTEE ON *Oct. 27, 1984*
URBAN REDEVELOPMENT
RENEWAL & PLANNING

Recommends *Be Continued*
Michael R. Clement
Clerk
Nov. 8, 1984

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

Approves Passage of
The Within Resolution
Michael R. Clement
Chairman
First Deputy City Clerk

Councilman Glover, Councilman Dillon and Councilwoman Lagnoli (By Request)

PROJECT SUMMARY

CITYPLACE

CITYPLACE is the substantial rehabilitation and renovation of the former Outlet Company department store in downtown Providence into a mixed-use retail/office center consisting of 350,000 square feet of leasable space. The focal point of the project will be a fully enclosed, climate-controlled eight story hippodrome-shaped atrium designed to maximize exposure of offices and shops to an interior landscaped environment. The atrium will serve to minimize the extreme mass of the building in an aesthetically pleasing and functional manner.

CITYPLACE is a three-phased development project:

Phase I involves the renovation of the 365-car parking garage adjacent to CITYPLACE on Pine Street. This work will include repairs to the concrete parking deck; upgraded lighting and security; and a new ingress/egress control system. The garage is professionally managed by MetroPark, Ltd.

Phase II will encompass the development of CITYPLACE MALL, a shopping center encompassing the lower four levels of the building and containing 200,000 square feet of leasable space. Approximately sixty conventional retailers representing a mix of national, regional and local merchants will serve a broad range of consumer needs and tastes. Negotiations are currently underway with more than a dozen major retailers. CITYPLACE MALL is projected to open in September, 1985.

Phase III will encompass the development of the remaining top two floors of the building into commercial office space containing approximately 100,000 square feet of leasable area. The office component will be multi-tenanted, and will be available for occupancy by the summer of 1986.

CITYPLACE is being developed by its owner - CityPlace Associates, a Rhode Island limited partnership consisting of local investors and real estate developers. The principals in CityPlace Associates are Sheldon L. Gerber, Ronald E. Kutrieb, Joseph M. Cerilli, Thomas DeFelice, Michael Thaler and Joseph J. Dabek. Other participating parties in CITYPLACE include the City of Providence; the Woonsocket Institution for Savings and a development team consisting of: Robert M. Stern Co., of New York in association with Robinson Green and Barretta (architects);

International Construction Management (construction manager); The Howard Grossman Company (retail leasing); Hinckley Allen Tobin & Silverstein (legal counsel) and Peat Marwick (accountants).

The total cost of CITYPLACE is expected to exceed \$40 million which will be financed through a combination of public and private mortgage and equity capital. An integral component of the total financing package for the project is an Urban Development Action Grant of \$4 million which will be structured as a below-market interest rate long term mortgage held by the City of Providence. Through the mortgage, the City will have an equity participation in the project which should generate financial benefits over and above interest earned on the mortgage.

Precise estimates of the financial and economic value of CITYPLACE await finalization of design and development details - a process currently underway. It is expected, however, that there will be nearly one hundred construction workers on the project each day during the two year construction phase and that more than one thousand permanent jobs will be created in the CITYPLACE MALL alone. The City will directly benefit not only from the interest on and the principal repayment of the UDAG loan but also from increased real and personal property taxes which should exceed \$500,000 annually.