

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 140

Approved February 22, 1979

RESOLVED,

THAT

The City Solicitor be and he hereby is directed to apply to the General Assembly at its present session to urge passage of "An Act Authorizing the City of Providence to Issue Bonds in an Amount not Exceeding TWENTY-FIVE (\$25,000,000) DOLLARS for Redevelopment Purposes", substantially in accordance with the accompanying draft act.

IN CITY COUNCIL

FEB 15 1979
READ AND PASSED

Ralph Fagnano
PRES.
Greg M. Meadows
CLERK

APPROVED

MAYOR

Joanna C. Cianci
FEB 22 1979

FILED

JAN 29 9 10 AM '79

DEPT. OF CITY CLERK
PROVIDENCE, R.I.

LED 1 2 10

IN CITY COUNCIL

FEB 1 1979

FIRST READING
REFERRED TO COMMITTEE ON

FINANCE

Rose M. Mendonca CLERK

ABSTRACT

WYBOR

THE COMMITTEE ON
FINANCE

I Approves Passage of
1 Within Resolution

Rose M. Mendonca
Clerk ~~Chairman~~

February 12, 1979

LED 1 2 10

Councilman Xavier and Councilman Flynn (By Request)

STATE OF RHODE ISLAND, Sc.

IN GENERAL ASSEMBLY

January Session
1979

AN ACT

AUTHORIZING THE CITY OF PROVIDENCE TO ISSUE BONDS IN AN AMOUNT NOT EXCEEDING TWENTY-FIVE MILLION (\$25,000,000) DOLLARS FOR REDEVELOPMENT PURPOSES.

It is enacted by the General Assembly as follows:

SECTION 1. The City of Providence is hereby authorized, in addition to authority previously granted, to issue bonds to an amount not exceeding Twenty-five Million Dollars (\$25,000,000) from time to time under its corporate name and seal or a facsimile of such seal. The principal of the bonds and interest thereon shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts. The bonds of each issue shall mature in annual installments of principal, the first installment to be not later than five (5) years and the last installment not later than thirty (30) years after the date of the bonds.

SECTION 2. The bonds shall be signed by the city treasurer and mayor by manual or facsimile signature but at least one manual signature shall appear on each bond. The bonds shall be issued and sold at public or private sale for such prices and in such amounts as the city council may determine. The manner of sale, denominations, maturities, interest rates, and other terms, conditions, and details of

any bonds or notes issued under this act may be fixed by the ordinance or resolution of the city council authorizing the issue or by separate resolution of the city council or, to the extent provisions for these matters are not so made, they may be fixed by the officers authorized to sign the bonds or notes. The proceeds derived from the sale of the bonds shall be delivered to the city treasurer, and such proceeds exclusive of premiums and accrued interest shall, except as otherwise provided in section 5 of this act, be deposited (a) in the redevelopment revolving fund established under section 45-33-1 of the General Laws of Rhode Island, 1956, as amended, which fund shall be used in the manner and for any or all of the purposes provided in said section 45-33-1, as now enacted and for such additional purposes as may hereafter be provided by any amendment to said section 45-33-1 of the General Laws of Rhode Island, 1956, as amended, or shall be expended (b) in payment of the principal of or interest on temporary notes issued under section 3 of this act or (c) in repayment of advances under section 4 of this act. No purchaser of any bonds or notes under this act, however, shall be in any way responsible for the proper application of the proceeds derived from the sale thereof. The proceeds of bonds or notes issued under this act and the other moneys referred to in section 5 of this act shall be deemed appropriated for the purposes of this act without further action by the city council than that required by this act.

SECTION 3. The city council of the City of Providence may by resolution pursuant to chapter 1017 of the Public Laws of 1902 authorize the issue from time to time of interest-

bearing or discounted notes in anticipation of the authorization or issue of bonds under section 2 of this act, provided, that the last proviso of section 1 of chapter 1017 of the Public Laws of 1902 shall not apply to notes being refunded by the issue of bonds. The amount of original notes issued in anticipation of bonds may not exceed the amount of bonds which may be issued under this act. Temporary notes issued hereunder shall be signed by the city treasurer and by the manual or facsimile signature of the mayor. The bond anticipation notes shall be payable not later than five years after the time the bond order takes effect and shall not be renewed or extended beyond such time, except that if the issuance of bonds is prevented or prohibited by any order of any court, the bond anticipation notes may be renewed or extended by the length of the time elapsing between the date of institution of the action or proceeding and the date of its final disposition.

SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu of any authorization or issue of notes hereunder, the city treasurer, with the approval of the city council, may apply funds in the general treasury of the city to the purposes specified in section 2 of this act, such advances to be repaid without interest from the proceeds of bonds or notes subsequently issued or from other available funds.

SECTION 5. Any accrued interest received upon the sale of bonds or notes hereunder shall be applied by the city treasurer to the payment of the first interest due thereon. Any premiums arising from the sale of bonds or notes hereunder shall, in the discretion of the city treasurer, be

applied by the city treasurer to the cost of preparing, issuing, and marketing bonds or notes hereunder to the extent not otherwise provided, or deposited in the redevelopment revolving fund. The cost of preparing, issuing, and marketing bonds or notes hereunder may also, in the discretion of the city treasurer, be met from bond or note proceeds exclusive of premium and accrued interest or from other moneys available therefor. In exercising this section, the city treasurer shall be governed by any instructions adopted by the city council.

SECTION 6. All bonds and notes issued under this act and the debts evidenced thereby shall be obligatory on the City of Providence in the same manner and to the same extent as other debts lawfully contracted by it and shall be excepted from the operation of section 45-12-2 of the General Laws of Rhode Island, 1956, as amended. No such obligation shall at any time be included in the debt of the city for the purpose of ascertaining its borrowing capacity. The city shall annually appropriate a sum sufficient to pay the principal and interest coming due within the year on bonds and notes issued hereunder to the extent that moneys are not otherwise provided. In order to provide such sum in each year and notwithstanding any provision of law to the contrary, all taxable property in the city shall be subject to ad valorem taxation by the city without limitation as to rate or amount.

SECTION 7. Any bonds or notes issued by the City of Providence under the provisions of this act, their transfer, and the income therefrom (including any profits made on the sale thereof), shall at all times be free from taxation by the state or any political subdivision or other instrumentality of the state, excepting inheritance, estate and gift taxes.

SECTION 8. Any bonds or notes issued under the provisions of this act and coupons on any bonds, if properly executed by officers of the city in office on the date of execution, shall be valid and binding according to their terms notwithstanding that before the delivery thereof and payment therefor any or all of such officers shall for any reason have ceased to hold office.

SECTION 9. Bonds and notes may be issued under this act without obtaining the approval of any governmental agency or the taking of any proceedings or the happening of any conditions except as specifically required by this act for such issue. In carrying out any project named in whole or in part under this act, including, without limitation and where applicable, the condemnation of any land or interest in land, and the levy and collection of assessments or other charges permitted by law on account of any such project, all action shall be taken which is necessary to meet constitutional requirements whether or not such action is required by statute; but the validity of bonds and notes issued hereunder shall in no way depend upon the validity or occurrence of such action.

SECTION 10. The question of the approval of this act shall be submitted to the electors of the City of Providence at a special local election to be held on a date as shall be designated by resolution or ordinance of the city council. The question shall be submitted in substantially the following form: "Shall an act, passed at the 1979 session of the General Assembly, entitled 'An Act Authorizing the City of Providence to Issue Bonds in an Amount Not Exceeding Twenty-five Million (\$25,000,000) Dollars for Redevelopment Purposes'

be approved?" The warning for the election shall contain the question to be submitted, together with a statement reading in substance as follows: "The act authorizes said bonds and provides for temporary financing." From the time the election is warned and until it is held, it shall be the duty of the city clerk to keep a copy of the act available at his office for public inspection, but any failure of the clerk to perform this duty shall not affect the validity of the election. The polling place or places shall be designated by the local board (as defined in Section 17-1-2 of the General Laws of Rhode Island, 1956, as amended). The local board shall forthwith after the election notify the Secretary of State of the result of the vote upon the question submitted. Sections 5(a) and 135 of Chapter 832 of the Public Laws of Rhode Island, 1940, as amended by Chapter 1266 of the Public Laws of Rhode Island, 1943, shall not apply to the election hereunder and the validity of the election shall not be affected by the provisions of Section 2-296 of the Code of Ordinance of the City of Providence. Chapter 3526 of the Public Laws of Rhode Island, 1955, shall apply. To the extent of any inconsistency between this act and the city charter, this act shall prevail.

SECTION 11. This section and section 10 of this act shall take effect upon the passage of this act; and the remainder of this act shall take effect upon the approval of this act by a majority of those voting on the question at the election prescribed by section 10 hereof.

STANLEY P. BLACHER
Chairman

JOHN RAO, JR.
Vice Chairman

ROBERT J. BEVILACQUA

~~RAYMOND COOK~~ Frederick Lippitt

MURRAY A. COHEN

EDWARD W. XAVIER

~~ANTHONY C. MEROLA~~ Laurence K. Flynn

STANLEY BERNSTEIN
Executive Director
and Secretary

MAYOR VINCENT A. CIANCI, JR.
Ex-Officio



PROVIDENCE REDEVELOPMENT AGENCY

January 26, 1979

The Honorable City Council
Mrs. Rose M. Mendonca, City Clerk
City Clerk's Office
City Hall
Providence, RI 02903

Re: Special Election for PRA \$25 Million Bond Referendum

Dear Mrs. Mendonca:

The City Council by resolution no. 34 dated January 30, 1978 requested the General Assembly to issue bonds in an amount not to exceed \$25 Million for redevelopment purposes, and on November 7, 1979 the referendum on that matter resulted in a final tally of machine and mail ballots of 14,039 to reject and 12,459 to approve, or a total difference of 1,580 votes.

On November 14, 1978, the Providence Redevelopment Agency voted to request that the General Assembly authorize another vote at a special city election as soon as possible. Since that time the City's Finance Director and its bond counsel have prepared a proposed act for submittal to the General Assembly which authorizes the City of Providence to issue bonds in an amount not to exceed \$25 Million for redevelopment purposes.

It is the feeling of this Agency that the small losing margin of the November 7th referendum, in spite of the little to no effort to promote the bond, represents an interest of the electorate to approve the bond issue. This feeling has been subsequently reaffirmed by the innumerable requests of neighborhood residents and groups that the bond issue be presented again at a special referendum at an early date.

The Honorable City Council
Mrs. Rose M. Mendonca, City Clerk

January 26, 1979

Re: Special Election for PRA \$25 Million Bond Referendum

Therefore, attached hereto is an original and ten (10) copies of a proposed resolution and attached draft act supporting the City's request for a \$25 Million bond referendum.

It is respectfully requested that this matter be placed on the docket for the February 1, 1979 City Council meeting.

Sincerely yours,


Stanley Bernstein
Executive Director

Attachments:

CC: Councilman Edward W. Xavier
Councilman Laurence K. Flynn

SB:MJD