

THE CITY OF PROVIDENCE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

No. 620

Approved July 13, 1979

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A RESOLUTION APPROVING AND AUTHORIZING SUBMISSION OF  
FINANCIAL SETTLEMENT APPLICATION AND EXECUTION OF  
CLOSEOUT AGREEMENT FOR PROJECT NO. R. I. R-18  
(MOUNT HOPE).

WHEREAS, the Providence Redevelopment Agency (herein called "LPA"), with the concurrence of the City of Providence, has undertaken a certain urban renewal project with financial assistance from the Department of Housing and Urban Development (herein called "HUD"), which urban renewal project, (herein referred to as "project") is identified as R. I. R-18 and;

WHEREAS, the LPA has entered into a Loan and Grant Contract for the purpose of undertaking said projects and the City of Providence entered into a Cooperation Agreement with the LPA for making available financial assistance for projects and;

WHEREAS, Section 112 of the Housing and Urban Development Act of 1974 (PL 93-383), established a process for the financial settlement of urban renewal projects and the use of surplus grant in accordance with regulations promulgated at 24CFR 570.800 and;

WHEREAS, the LPA has substantially completed all of the required program activities and the LPA wishes to use surplus grant funds in accordance with HUD regulations.

Now, Therefore, Be It Resolved By (the locality's local governing body) and the City of Providence as follows;

1. That the City of Providence hereby authorizes and approves the following action by the LPA which will result in the early financial settlement of the aforementioned urban renewal project:
  - a). Prepare and submit to HUD for review and comment a preliminary request for financial settlement in accordance with 24CFR 570.804 (a).
  - b). Upon approval of the preliminary request the LPA shall submit with the concurrence of the locality's governing body a final Application for Financial Settlement and Release of Surplus Funds. The Application will include all of the information and documentation required by 24CFR 570.804 (b).
2. That the Mayor is hereby authorized and directed to execute the Closeout Agreement on behalf of the City of Providence as part of the aforementioned final Application.
3. That this resolution will take effect immediately.

IN CITY COUNCIL  
JUL 5 1979

READ AND PASSED

*Ralph Fagnano*  
PRES.

*Rose M. Mendonca* CLERK

*Approved - July 13-1979*  
*Vincent A. Crandall*

JUN 2 1979

DEPT. OF CITY CLERK  
PROVIDENCE, R.I.

FILED

MAY 25 11 15 AM '79

THE COMMITTEE ON  
URBAN REDEVELOPMENT  
RENEWAL & PLANNING

Approves Passage of  
The Within Resolution

*Rose M. Mendonca*  
Chairman  
July 27, 1979

IN CITY COUNCIL

JUN 7 1979

REFERRED TO COMMITTEE ON

URBAN REDEVELOPMENT  
RENEWAL & PLANNING

*Rose M. Mendonca* CLERK

Councilman Xavier and Councilman Flynn (By Request)

STANLEY BERNSTEIN  
DIRECTOR



VINCENT A. CIANCI, JR.  
MAYOR

**DEPARTMENT OF PLANNING AND URBAN DEVELOPMENT**

40 FOUNTAIN ST., - PROVIDENCE, R. I. 02903 - TEL. 401-831-6550

May 23, 1979

Rose M. Mendonca, City Clerk  
City Clerk's Office  
City Hall  
Providence, Rhode Island 02903

Dear Mrs. Mendonca:

The Providence Redevelopment Agency is preparing to close out our Mount Hope Urban Renewal Project R-18.

The Department of Housing and Urban Development requires that the attached Resolution be executed by the local governing body.

Also attached are copies of the Closeout Agreement and Certificate of Completion and of Gross and Net Project Cost referred in the requested Resolution.

The Agency would appreciate introduction of the attached Resolution to the City Council at the earliest possible date.

Sincerely yours,

  
Stanley Bernstein  
Executive Director

SB/bsg  
fec

Enclosures

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

CLOSEOUT AGREEMENT

THIS AGREEMENT entered into by and between Providence Redevelopment Agency (hereinafter referred to as the "LPA"), the City of Providence, Rhode Island (hereinafter referred to as the "City"), and the Department of Housing and Urban Development (hereinafter referred to as "HUD"), acting through the Secretary or her duly authorized agent.

WITNESSETH

WHEREAS, the LPA has entered into a Loan and Grant Contract with HUD for the undertaking an urban renewal project, pursuant to the provisions of Title I of the Housing Act of 1949, as amended, such project identified as Project Number R-18 (hereinafter called the "Project"); and the City has entered into a Cooperation Agreement with the LPA for making available financial and other assistance for the project, and

WHEREAS, the LPA has with the concurrence of the City submitted an application for financial settlement of the Project which will result in full repayment of all temporary loans pursuant to Section 112(b) of the Housing and Community Development Act of 1974 (P.L. 93-383) and the provisions of 24 CFR Part 570, Subpart I, and such settlement under the terms of this Agreement has been approved by resolution of the governing body of the City on \_\_\_\_\_ 1979, and

WHEREAS, the LPA has submitted a Certificate of Completion and of Gross and Net Project Cost (HUD Form 6204 and attachment) copies of which are attached hereto; and

WHEREAS, the LPA has submitted certification that any environmental review required by 24 CFR Section 58.20 has been completed, and that the citizen participation requirements under 24 CFR Section 570.803 (e) (2) have been complied with;

WHEREAS, with respect to the Project,

- (a) all approved project activities for which project funds are available, or noncash local grants-in-aid which would otherwise have been required, will not have been substantially completed prior to the date of the financial settlement, and such settlement will result in (a surplus grant).
- (b) the approved project activities have been substantially completed except for the sale of all project land and the financial settlement will result in a (surplus grant).
- (c) the approved project activities have been substantially completed and the financial settlement will result in (surplus grant); and
- (d) Audit requirements for project has been satisfied by audit on October 29, 1976, and all or any exceptions to audit have been resolved.

WHEREAS, the LPA, City and HUD, the parties hereto, recognize and acknowledge that the requirements with respect to certain remaining obligations as herein set forth are a condition to the approval by HUD of the financial settlement;

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representation contained herein, the parties hereto agree as follows:

A. The following parcels of property acquired with project funds remain undisposed. The proceeds from the disposition of such property after financial settlement shall be treated as program income of the City under the provisions of 24 CFR 570.506, provided, that such sum shall first be applied to reimburse the City for local funds (other than cash local grants-in-aid required on the basis of incurred net project costs, or Community Development Block Grants) used for the repayment of temporary loans for the Project:

Parcels 32 and 34

B. The following parcels or property shall be retained for disposition by the LPA, subject to the covenants specified in Section 570.801 (c) (1) (I), (II), (III) and (IV). In the disposition of such land, the provisions of Section 110 (c) (4) of Title I of Housing Act of 1949, as amended, regarding fair use value shall not apply:

Parcels 14, 22, 73 and 75

C. Any costs or obligations incurred in connection with the project with respect to claims which are disputed, contingent, unliquidated or unidentified, and for the payment of which insufficient project funds have been reserved under the financial settlement, shall be borne by the City. Project funds reserved for such purposes shall be added to and identified in the letter of credit under the City's Community Development Block Grant Program as specified below: (List all disputed, contingent or unliquidated Project obligations, including relocation and assistance obligations incurred as a result of Project activities undertaken prior to the financial settlement, and specify the estimated cost with respect to each).

Obligations

Land Acquisition Cost	\$15,875
Good Faith Deposit	12,439

D. Subject to the provisions of E, below, the surplus grant remaining after the financial settlement of the Project shall be (reserved for) added to the letter of credit under the City's Community Development Block Grant Program, subject to the requirements applicable to the use of funds for activities under that Program; provided, that such surplus funds are obligated in the amounts and for the purposes set forth below: (Identify each of the specific activities and estimated costs for which

surplus grant funds are required to be used as a HUD condition to the financial settlement, pursuant to the authority of 24 CFR 570.803 (b) (1) and (2).)

None

E. Any Grant Surplus from Project R-18 over and above Project R-18 cost and obligations referred early are subject to application by the city and approval by HUD under the Community Development Block Grant Program.

Surplus R-18 Grant Funds may be used to undertake eligible Community Development Block Grant activity, including the completion of Urban Renewal and Neighborhood Development Programs in Providence other than Project R-18.

F. Special conditions, the LPA and City shall comply with any special conditions required by the Secretary of Housing and Urban Development pursuant to the preliminary request submitted under 24 CFR, Section 570.803, to which the approval of the request for financial settlement shall be subject.

G. The obligations under this Closeout Agreement are subject to the Program Management requirements of 24 CFR Part 570, Subpart F.

H. If any provision of this Agreement is held invalid, such holding shall not affect the validity of the remainder of the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and their seals to be hereunto affixed and attested as of the \_\_\_\_\_ day of \_\_\_\_\_, 1979.

(SEAL)

PROVIDENCE REDEVELOPMENT AGENCY  
LPA

ATTEST:

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Chairman

(SEAL)

\_\_\_\_\_  
City

ATTEST:

\_\_\_\_\_  
Title

By \_\_\_\_\_  
Title

CONCUR:

UNITED STATES OF AMERICA  
SECRETARY OF HOUSING AND URBAN DEVELOPMENT

By \_\_\_\_\_  
Title

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  URBAN RENEWAL PROGRAM  <b>CERTIFICATE OF COMPLETION AND OF GROSS AND NET PROJECT COST</b>				PROJECT LOCALITY <b>Providence, Rhode Island</b> <hr/> PROJECT NAME <b>Mount Hope Project</b> <hr/> PROJECT NUMBER <b>R. I. R-18</b> <hr/> CONTRACT NUMBER <b>R. I. R-18</b> <hr/> ESTIMATED FINAL SETTLEMENT DATE <b>May 15, 1979</b>	
INSTRUCTIONS: Submit original and four copies to HUD.					
ACTUAL FINAL SETTLEMENT DATE (To be filled in by HUD)					
<b>SECTION A. FINAL STATEMENT OF GROSS AND NET PROJECT COST</b>					
ITEM 1 OF GROSS PROJECT COST					
LINE NO.	EXPENDITURE CLASSIFICATION	TO BE FILLED IN BY LPA			TO BE FILLED IN BY HUD
		PAID COSTS (a)	UNPAID COSTS (b)	TOTAL COSTS (Col. a + b) (c)	APPROVED TOTAL COSTS (d)
A-1	SURVEY AND PLANNING EXPENDITURES (incl. interest on advances) (1401, 1403, 1404)	\$246,283.13	\$	\$ 246,283.13	\$
	PROJECT EXECUTION EXPENDITURES:				
A-2	Administration (1410, 1475)	1,489,618.85		1,489,618.85	
A-3	Legal services (1415.02, 1415.03, 1415.04, 1415.05)	486.85		486.85	
A-4	Survey and planning (1430)				
A-5	Acquisition expenses (1440.02 through 1440.06)	27,238.67		27,238.67	
A-6a	Temporary operation of acquired property - Profit (-) or Loss (+) (1448)	9,402.86		9,402.86	
A-6b	Amount included in line 6a as real estate tax credits (1448.038)	[ ]	[ ]	[ ]	[ ]
A-7	Relocation and community organization costs, excluding relocation payments (1443)	650.00		650.00	
A-8	Site clearance - Proceeds (-) or Cost (+) (1450)	66,721.20		66,721.20	
A-9	Project or site improvements (1455)	1,637,605.06		1,637,605.06	
A-10	Disposal, lease, retention costs (1445)	4.61		4.61	
A-11	Rehabilitation costs, excluding rehabilitation grants (1460)	1,803.75		1,803.75	
A-12	Interest (1420.013, 1420.02)				
	a. To date of this certificate	488,705.76		488,705.76	
	b. From date of this certificate to estimated settlement date				
A-13	Other income (-) (1449)	-318,772.61		- 318,772.61	
A-14	Real estate purchases (1440.01)	506,268.33	15,875.00	522,143.33	
A-15	Project inspection (1418)	65,485.00		65,485.00	
A-16	TOTAL PROJECT EXPENDITURES (ITEM 1 OF GROSS PROJECT COST) (sum of lines 1 through 15 excluding line 6b)	\$ 4,221,501.46	\$ 15,875.00	\$ 4,237,376.46	\$

**SECTION A. FINAL STATEMENT OF GROSS AND NET PROJECT COST (Continued)**

**ITEM 2 OF GROSS PROJECT COST**

LINE NO.	EXPENDITURE CLASSIFICATION	TO BE FILLED IN BY LPA	TO BE FILLED IN BY HUD
		AMOUNT (a)	APPROVED AMOUNT (b)
A-17	Donated land (1480.01, 1485.01)	\$ 9,700.00	\$
A-18	Demolition and removal work (1480.02, 1485.02)		
A-19	Project or site improvements (1480.03, 1485.03)		
A-20	Supporting facilities (1480.04, 1485.04)	524,720.00	
A-21	TOTAL NONCASH LOCAL GRANTS-IN-AID (item 2 of Gross Project Cost) (sum of lines 17 through 20)	\$ 534,420.00	\$
A-22	GROSS PROJECT COST (line 16 plus 21)	\$ 4,771,796.46	\$

**NET PROJECT COST**

A-23	Proceeds of sale of project land (2401)	\$ 128,343.22	\$
A-24	Capital value imputed to project land leased (2402)		
A-25	Capital value imputed to project land retained (2403)		
A-26	TOTAL PROCEEDS (sum of lines 23 through 25)	\$ 128,343.22	\$
A-27	NET PROJECT COST (line 22 minus 26)	\$ 4,643,453.24	\$

**SCHEDULE A-1. UNPAID, DISPUTED, CONTINGENT, OR UNLIQUIDATED COSTS**

List (1) any unpaid project costs included on page 1 in column (b) which will not be paid for at settlement, and (2) disputed, contingent, or unliquidated costs not included in column (b). Describe circumstances and amounts involved.

**SCHEDULE A-2. SUPPORTING FACILITIES AND IMPROVEMENTS WHICH HAVE NOT BEEN COMPLETED**

(List supporting facilities and improvements which have not been completed but which have been included as a noncash local grant-in-aid in lines A-19 and A-20 and for which a Form HUD-6202, *Certificate of Cost of Noncash Local Grant-in-Aid*, has been approved by HUD on the basis of estimated cost, pursuant to Section 110(d) of Title I.)

FACILITY OR IMPROVEMENT (a)	TOTAL ESTIMATED COST (b)	AMOUNT DETERMINED BY HUD AS INCLUDE- ABLE AS A GRANT-IN-AID (c)	APPROVED COMPLETION DATE (d)
	\$	\$	
TOTAL	\$	\$	



## SECTION B. COMPUTATION OF BALANCE OF PROJECT CAPITAL GRANT

LINE NO.	DESCRIPTION	TO BE FILLED IN BY LPA	TO BE FILLED IN BY HUD
		AMOUNT (a)	APPROVED AMOUNT (b)
B-1	Project Capital Grant amount specifically stated in Contract	\$ 3,579,698.00	\$
B-2	Aggregate of Net Project Cost, this project (from line A27), plus the Net Project Cost of all other pooled completed projects, if any (from schedule B-1, column (a) total)	4,643,453.24	
B-3	Aggregate noncash local grants-in-aid for projects included in line 2 (line A21 plus schedule B-1, column (b) total)	534,420.00	
B-4	Aggregate cash local grants-in-aid provided for projects included in line 2, less any amount that is to be considered a local loan to the project pursuant to the Contract (amount for this project plus schedule B-1, column (c) total)	478,852.58	
B-5	Aggregate local grants-in-aid (line 3 plus 4)	1,013,272.58	
B-6	Aggregate excess of Net Project Cost over local grants-in-aid (line 2 minus 5)	3,630,180.66	
B-7	Less: Aggregate of Project Capital Grants of other pooled completed projects (from schedule B-1, column (d) total)		
B-8	Equals: (line 6 minus 7)	3,630,180.66	
B-9	Two-thirds (or three-fourths, if applicable) of line 2	3,482,589.93	
B-10	Less: line 7 amount		
B-11	Equals: (line 9 minus 10)	3,482,589.93	
B-12	Entire Project Capital Grant, this project (enter the least of the three amounts on lines 1, 8, and 11)	3,482,589.93	
B-13	Less: Project Capital Grant progress payments paid, this project	3,579,698.00	
B-14	Equals: Balance of Project Capital Grant payable, this project, per this certificate (line 12 minus 13)	-0-	
B-15	Relocation Payments paid by LPA and 100% reimbursable by HUD (1501)	63,374.02	
B-16	Less: Relocation grants paid by HUD to LPA for this project	78,460.00	
B-17	Equals: Balance of Relocation Grant payable, this project, per this certificate (line 15 minus 16)	-0-	
B-18	Rehabilitation Grant Payment paid by LPA and 100% reimbursable by HUD (1502)	\$ 118,886.00	\$
B-19	Less: Rehabilitation grants paid by HUD to LPA for this project	194,500.00	
B-20	Equals: Balance of rehabilitation grant payable, this project, per this certificate (line 18 minus line 19)	-0-	
B-21	Balance of Federal Capital Grant payable, this project, per this certificate (sum of lines 14, 17, and 20)	-0-	
DEFICIENCY GRANT-IN-AID			
B-22	Net Project Cost, this project (from line A27)	\$ 4,643,453.24	\$
B-23	Cash local grants-in-aid provided, this project	478,852.58	
B-24	Noncash local grants-in-aid, this project (from line A-21)	534,420.00	
B-25	Project Capital Grant, this project (from line 12)	3,482,589.93	3,670,397.98
B-26	Total grants-in-aid and Project Capital Grant, this project (sum of lines 23, 24, and 25)	4,495,862.51	4,683,672.36
B-27	Deficiency cash local grant-in-aid, if any (line 22 minus 26)	\$ 147,590.73	\$

## SECTION D. CERTIFICATE OF LOCAL PUBLIC AGENCY

IT IS HEREBY CERTIFIED that all of the LPA's undertakings necessary to carry out the project, including the activities includable in item 1 of Gross Project Cost of the project (identified on page 1 hereof), have been properly completed except for [(1) completion or provision of any items shown in schedule A-2, column (a), concerning which HUD has been furnished satisfactory assurances, pursuant to the provisions of Section 110(d) of Title I of the Housing Act of 1949, as amended, that the listed facilities or improvements will be constructed or completed on or before the dates listed in schedule A-2, column (d), and concerning which HUD has determined that the portion of the total estimated cost which is shown in schedule A-2, column (c), is the amount to be includable as grants-in-aid and is deemed to be the actual cost thereof for the purpose of computing the amount of local grants-in-aid under this contract, and [(2)]\* final settlement of project financing and interest costs thereon, if any; that such final settlement will be fully completed in accordance with the contract between the United States of America and the LPA, which contract is identified on page 1 hereof, not later than the estimated final settlement date identified on page 1 hereof; that all costs and obligations (other than interest costs and costs and obligations in connection with items which are estimated, unpaid, disputed, contingent, or unliquidated) incurred by the LPA in connection with said project have been fully paid; that proper provision has been made by the LPA for the payment of interest costs and all such costs and obligations in connection with items which are estimated, unpaid, disputed, contingent, or unliquidated; that there are no undischarged mechanics', laborers', contractors', or materialmen's liens in connection with the project on file in any public office where the same should be filed in order to be valid against the project; that the United States of America is not under any obligation to make any further payment on account of the Project Temporary Loan, if any, provided for in said contract [except that there is presently outstanding Project Temporary Loan Note No. \_\_\_\_\_, dated \_\_\_\_\_, under Requisition Agreement No. \_\_\_\_\_, in connection with an outstanding series of Preliminary Loan Notes maturing on \_\_\_\_\_]\*; and that each and every statement and amount set forth in this instrument is true and correct as of the date hereof.

IT IS HEREBY FURTHER CERTIFIED that the balance in the project accounts at the date of this certificate, as shown in Section C, are and will remain available for the payment of all unpaid project costs, including any of such costs which are disputed, contingent, or unliquidated at the date of this certificate.

\_\_\_\_\_  
Name of LPA\_\_\_\_\_  
Date\_\_\_\_\_  
Signature of Authorized Officer\_\_\_\_\_  
Title

### SECTION E. APPROVAL OF HUD

I have reviewed the foregoing Certificate of Completion and of Gross and Net Project Cost and have determined that the project has been fully completed; that all costs and obligations [other than interest costs and costs and obligations in connection with items which are estimated, unpaid, disputed, contingent, or unliquidated]\* incurred by the LPA in connection with the project have been fully paid; that proper provision has been made by the LPA for the payment of interest costs and all such costs and obligations in connection with items which are estimated, unpaid, disputed, contingent, or unliquidated; that the United States of America is not under any obligation to make any further payments on account of the Project Temporary Loan, if any, provided for in said contract, except as noted in the LPA's certificate (Section D hereof); that the Gross Project Cost and the Net Project Cost, and the amounts claimed by the LPA to be eligible for inclusion in each, respectively, as set forth in said certificate, are, to the best of my knowledge, true and correct except as noted hereinbefore; and that the items claimed by the LPA to be eligible as local grants-in-aid, including the amount of each claimed by it to be so eligible, as set forth in said certificate, are, to the best of my knowledge, true and correct except as noted hereinbefore.

Therefore, on the condition that the resources for retirement of outstanding project debt be made available on the dates indicated in the column filled in by HUD, I hereby approve said certificate with the above-stated exceptions, if any, as the basis for settlement of the project.

May 15, 1979

Date

\_\_\_\_\_  
Authorized Officer

*(Differences between amounts submitted by the LPA and  
amounts approved by HUD are explained on the reverse side.)*

\* Strike out if inapplicable.