

February 7, 1990

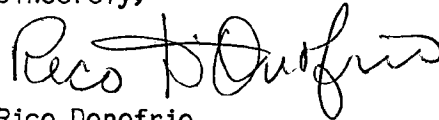
Ms. Rose Mendonca
City Clerk
City Hall
Providence, RI 02903

Dear Ms. Mendonca:

I am employed by the City of Providence in the capacity of Supervisor of Rehabilitative Services for the Department of Planning and Development. I would like to apply for a Rental Rehabilitation loan to improve my property located at 2 Wallace Street, Providence, Rhode Island.

In conformance with the Conflict of Interest provision of Sec. 570.611, I hereby withdraw from any duties and responsibilities relating to the subject Rental Rehabilitation Project.

Sincerely,

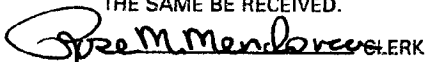


Rico Donofrio
Supervisor, Rehabilitative Services

IN CITY COUNCIL

MAR 1 1990

READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.


CLERK

FILED

FEB 22 9 07 AM '90

DEPT. OF JUSTICE
PROVIDENCE, R.I.



Department of Planning and Development

"Building Pride In Providence"

February 7, 1990

Ms. Rose Mendonca
City Clerk
City Hall
Providence, RI 02903

Dear Rose:

The purpose of this letter is to formally give public notice and disclosure, pursuant to 24 CFR 570.611 (conflict of interest), of the following facts.

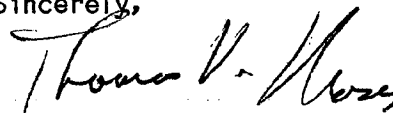
1. Mr. Donofrio of Providence, Rhode Island has applied for assistance through the Rental Rehabilitation Program, administered through the Department of Planning and Development.
2. Mr. Donofrio, the applicant, is employed by the City of Providence's Department of Planning and Development.
3. Mr. Donofrio whose job title is Supervisor of Rehabilitative Services serves as rehabilitation specialist and is primarily responsible for performing residential rehab work write-ups and inspections for the Department's Housing Programs.
4. Mr. Donofrio has withdrawn from any duties and responsibilities relating to the Rental Rehabilitation Project for the property he owns.
5. Mr. Donofrio does have a financial interest, directly relating to this specific project.
6. It is the opinion of the Assistant Chief, Division of Legal Services, Joseph A. Bevilacqua, Jr., that no conflict of interest exists in this particular instance (see attached).

Ms. Rose Mendonca
February 7, 1990
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Enclosed is the applicable section of the Federal Code as well as my request to the Department of Housing and Urban Development as related to this section.

Should you need any further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Thomas V. Moses". The signature is fluid and cursive, with the first name "Thomas" and last name "Moses" clearly legible.

Thomas V. Moses, Esq.
Director

TVM:p

Enclosures

cc: Frank DeVecchio
James Phieffer
Joseph A. Bevilacqua, Esq.
Arthur L. Hanson, Jr.

Joseph A. Bevilacqua, Jr.

Attorney - at - Law
380 Broadway
Providence, Rhode Island 02909

(401) 274-7444

February 7, 1990

Thomas V. Moses, Esq.
Director
Department of Planning and Development
44 Washington Street
Providence, Rhode Island 02903

Dear Mr. Moses:

It is the opinion of this writer that no conflict of interest exists in this particular instance. Mr. Rico Donofrio has withdrawn from any duties and responsibilities relating to said Rental Rehabilitation Project for the property he owns.

Pursuant to the requirements of Section 570.611 (e)(1-7), an opportunity was provided for open competitive bidding and negotiation; the affected person, Mr. Donofrio has withdrawn from any duties and responsibilities relating to the Rental Rehabilitation Project for the property he owns.

In addition, this project will serve to further the public interest as the project is located within the Silver Lake Target Area of the Rental Rehabilitation Program, which consists almost entirely of low and moderate income housing. All of these factors considered cumulatively provide a more than sufficient basis for an exception to the Conflict of Interest provision of Section 570.611.

Very truly yours,


JOSEPH A. BEVILACQUA, JR.
Legal Counsel



Department of Planning and Development

"Building Pride In Providence"

February 7, 1990

Mr. Frank DeVecchio
Deputy Director
Office of Community Planning & Development
US Department of Housing & Urban Development
Boston Regional Office, Region I
Thomas P. O'Neill Jr. Federal Office Building
10 Causeway Street
Boston, Massachusetts 02222-1092

Dear Mr. DeVecchio:

The purpose of this letter is to formally request an exception of 24 CFR 570.611 (conflict of interest), as provided for in subsection (d).

Specifically, this exception relates to an applicant of the Rental Rehabilitation Program, administered through the City of Providence's Department of Planning and Development. The applicant, Rico Donofrio, whose job title is the Supervisor of Rehabilitative Services is employed by the City of Providence's Department of Planning and Development. Mr. Donofrio serves as a Rehabilitation Specialist and is primarily responsible for performing residential rehab work write-ups and inspections for the Department's Housing Programs. He has withdrawn from any duties and responsibilities relating to said Rental Rehabilitation Project for the property he owns.

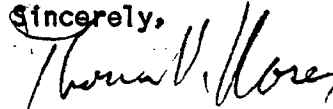
This specific project is within the Silver Lake Target Area of the Rental Rehabilitation Program, which is considered a low income area, composed of a seriously deteriorated housing stock. Therefore, this project will serve to further the purpose of the Rental Rehabilitation Program's objectives and goals.

As requested under Section 570.611 (d)(1), a public disclosure of this matter has been made through the office of the City Clerk of Providence. Also in accordance with Section 570.611 (d)(2) you will find enclosed an opinion of the City Solicitor as related to State and local law.

Mr. DeVecchio
February 7, 1990
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Should you need any further information or have any questions regarding this matter, please contact me.

Sincerely,



Thomas V. Moses, Esq.
Director

TVM:p

Enclosure

cc: James Phieffer
Joseph Bevilacqua, Esq.
Arthur L. Hanson, Jr.

object be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the same metropolitan area (or nonmetropolitan county) as the object. Grantees shall adopt appropriate procedures and requirements to ensure good faith efforts toward compliance with the statutory directive. UD regulations at 24 CFR Part 135 are not directly applicable to activities assisted under this part but may be referred to as guidance indicative of the Secretary's view of the statutory objectives in other contexts.

570.609 Lead-based paint.

(a) Section 401(b) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831(b)) directs the Secretary to prohibit the use of lead-based paint in residential structures constructed or rehabilitated with Federal assistance in any form. Such prohibitions are contained in 24 CFR Part 35, Subpart C, and are applicable to residential structures constructed or rehabilitated with assistance provided under this part.

(b) Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822) directs the Secretary to establish procedures to eliminate as far as practicable the hazards of lead-based paint poisoning with respect to any existing housing which may present hazards in which is covered by an application for mortgage insurance or housing assistance payments under a program administered by the Secretary. Pursuant to such authority and the Secretary's general rulemaking authority, the Secretary has promulgated requirements regarding the elimination of lead-based paint hazards in HUD-associated housing at 24 CFR Part 35, Subpart C, and requirements regarding notification to purchasers and tenants of HUD-associated housing constructed prior to 1950 at 24 CFR Part 35, Subpart A. The requirements of 24 CFR Part 35, Subpart A, are applicable to purchasers and tenants of residential structures constructed prior to 1950 and assisted under this part, and the requirements of 24 CFR Part 35, Subpart C, are applicable to existing residential structures which are rela-

habilitated with assistance provided under this part.

570.609 Use of debarred, suspended, or ineligible contractors or subrecipients.

CDBG funds shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of, or fund any contractor or subrecipient during any period of debarment, suspension, or placement in ineligibility status under the provisions of 24 CFR Part 24.

570.610 Uniform administrative requirements and cost principles.

The recipient, its agencies or instrumentalities, and subrecipients shall comply with the policies, guidelines, and requirements of OMB Circular Nos. A-102, Revised, A-110, A-87, and A-122, as applicable, as they relate to the acceptance and use of Federal funds under this part.

570.611 Conflict of interest.

(a) *Applicability.* (1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in Attachment O of OMB Circulars A-102, and A-110, respectively, shall apply.

(2) In all cases not governed by Attachment O of OMB Circulars, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties of facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570.203, § 570.204 or § 570.455).

(b) *Conflicts prohibited.* Except for approved eligible administrative or personnel cost, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities

assisted under this Part or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such interest or benefit during, or at any time after, such person's tenure.

(c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients under § 570.204, which are receiving funds under this part.

(d) *Exceptions: threshold requirements.* Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:

(1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether an opportunity was provided for open competitive bidding or negotiation;

(3) Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decisionmaking process with respect to the specific assisted activity in question;

(5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;

(6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(7) Any other relevant considerations.

[48 FR 43568, Sept. 23, 1983; 48 FR 46778, Oct. 14, 1983]

570.612 Displacement.

(a) *Definition.* "Displacement" means the involuntary movement, except temporary relocation, of a household from a dwelling unit resulting from its acquisition, rehabilitation, or demolition when: (1) Funded in whole or in part with CDBG funds; or (2) funded with non-CDBG funds where the acquisition, rehabilitation, or demolition is a prerequisite for an activity carried out with CDBG funds (e.g. acquisition of land with local funds for a neighborhood facility to be constructed with CDBG funds). "Displacement" also means the involuntary movement, except temporary relocation, of a household from a dwelling unit necessitated by CDBG assisted code enforcement.

(b) *General policy.* Section 902 of the Housing and Community Develop-