

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 161

Effective: ~~Approved~~ March 23, 1981

WHEREAS, Under the provisions of the Tax Stabilization Plan, Biltmore Properties for the years 1977 through 1980, have been relieved of the payment of approximately Two Hundred Forty Thousand Dollars (\$240,000.00) and

WHEREAS, By their assenting to the waiver of this Tax Stabilization Plan, additional tax payments to the City of Providence for the years 1981 through 1986 will be approximately Four Hundred Thousand Dollars (\$400,000.00), and

WHEREAS, The present fiscal condition of the City mandates that the City of Providence use every means available to it in attempting to lessen the tax burden on the home owners in our residential neighborhoods, and

WHEREAS, The Biltmore is now a fully operating Hotel facility and should be able to pay taxes in accordance with the tax schedules under which hotels in the City are assessed,

NOW, THEREFORE, BE IT RESOLVED, That the Outlet Company, the Old Stone Bank and Textron Inc., on behalf of themselves and any other Equity Participants in the ownership of the Biltmore Hotel Properties, are hereby requested by the City Council of the City of Providence to waive all exemptions granted to them under the Provisions of the Tax Stabilization Plan approved by the City Council on July 29, 1976.

IN CITY COUNCIL
MAR 12 1981

READ AND PASSED

Ralph Farguel
PRES.
Rose M. Mendonca
CLERK

Effective without the Mayor's signature March 23, 1981.

Rose M. Mendonca

Councilman Glavin and Councilman Flynn

March 23, 1981

The Outlet Company
Mr. Bruce Sundlun, President
176 Weybosset Street
Providence, RI 02902

Dear Mr. Sundlun,

Enclosed is certified copy of Resolution No. 161, passed by the City Council on March 12, 1981 which became effective without the Mayor's signature on March 23, 1981, the same being self-explanatory.

Very truly yours,

Rose M. Mendonca,
City Clerk.

RMM/jma

March 23, 1981

Biltmore Plaza Hotel
Mr. Claude Mathot, Manager Director
Kennedy Plaza
Providence, RI 02903

Dear Mr. Mathot,

Enclosed is certified copy of Resolution No. 161, passed by the City Council on March 12, 1981 which became effective without the Mayor's signature on March 23, 1981, the same being self-explanatory.

Very truly yours,

Rose M. Mendonca,
City Clerk.

RMM/JMA

March 23, 1981

The Old Stone Bank
Theodore W. Barnes, President
150 South Main Street
Providence, RI ,02903

Dear Mr. Barnes,

Enclosed is certified copy of Resolution No. 161, passed by the City Council on March 12, 1981 which became effective without the Mayor's signature on March 23, 1981, the same being self-explanatory.

Very truly yours,

Rose M. Mendonca,
City Clerk.

RMM/jma

March 23, 1981

Textron Inc.
Mr. Beverly Dolan, President
40 Westminister Street
Providence, RI 02903

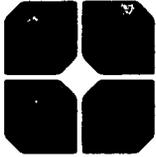
Dear Mr. Dolan,

Enclosed is certified copy of Resolution No. 161, passed by the City Council on March 12, 1981 which became effective without the Mayor's signature on March 23, 1981, the same being self-explanatory.

Very truly yours,

Rose M. Mendonca,
City Clerk.

RMM/jma



OLD STONE BANK

March 31, 1981

Rose M. Mendonca, City Clerk
Department of City Clerk, City Hall
Providence, RI 02903

Re: Resolution No. 161 of the City Council Dated March 12, 1981

Dear Ms. Mendonca:

I have recently received your letter dated March 23 which brought to my attention the Resolution of the City Council requesting that Old Stone Bank waive its tax exemption for "Biltmore Properties". Specifically, the Resolution asks the Outlet Company, the Old Stone Bank, Textron, Inc., and other equity participants to waive all tax exemptions granted to them under the Tax Stabilization Plan approved by the City Council on January 29, 1976.

It appears that a misconception exists on the part of the Providence City Council regarding the ownership of the Biltmore Hotel property. Although Old Stone Bank did participate as a lender in the purchase and rehabilitation of the Biltmore, at no time was the Old Stone Bank either an owner or an equity participant in the property. Therefore, it is impossible for us to act on the request made in Resolution No. 161.

It is our understanding that the Biltmore Hotel is owned by Biltmore Hotel Associates, a limited partnership whose general partners are subsidiaries of Textron, Inc., The Outlet Company, The Providence Journal Company, and the Business Development Company of Rhode Island.

If I may be of any further assistance, please do not hesitate to contact me.

Very truly yours,


Joseph C. Petteruti, Jr.
Vice President

JCP:dsc-2093C