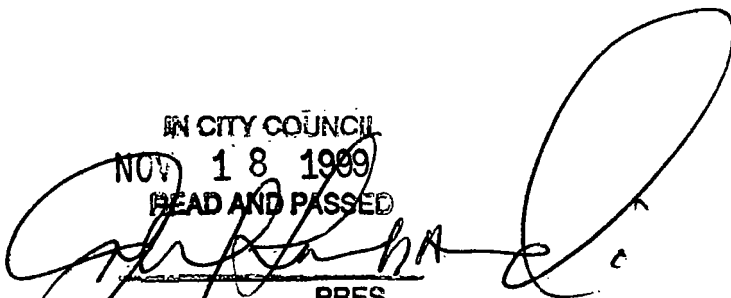
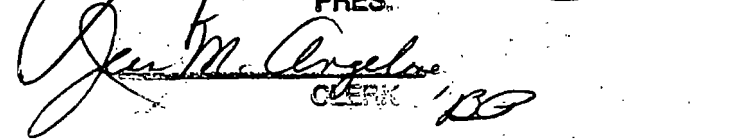


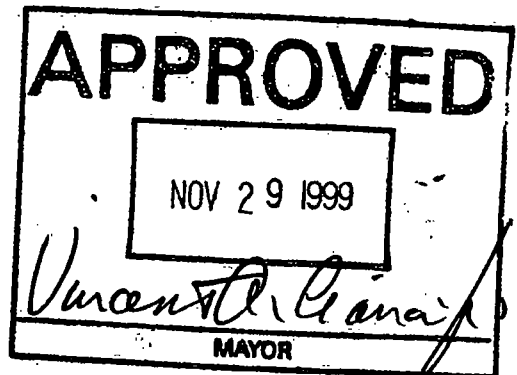
RESOLUTION OF THE CITY COUNCIL

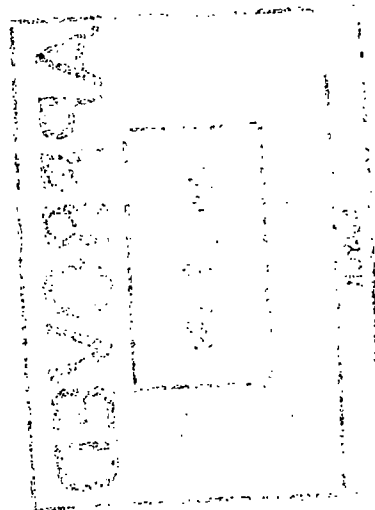
No. 717

Approved November 29, 1999

RESOLVED, That authorization be given to deposit with the Superior Court of the State of Rhode Island for condemnation proceedings for the new Public Safety Facility an amount not to exceed \$4,200,000 for a period not to exceed 45 days. The City will be repaid interest on the advance at a rate of 5.5% (see attached letter from Fleet Bank).

IN CITY COUNCIL
NOV 18 1999
READ AND PASSED

PRES.

CLERK





Councilman Allen



Members—NASD and SIPC

Maureen Gurghigian
Senior Vice President

Mr. Alex Prignano
Acting Finance Director
City Hall
Providence, Rhode Island 02903

November 9, 1999

Dear Alex:

I am writing to follow-up on our discussion regarding the City's contemplated advance to the Providence Redevelopment Agency ("PRA"). It is my understanding that \$4,130,000 would be advanced for condemnation of the parcels for the Public Safety site on or about November 15, 1999 and would be reimbursed on or about December 9, 1999, when the bond issue closes. As we have discussed with Bond Counsel, it is appropriate for the City to be reimbursed for the interest that it would have earned if the funds had remained invested.

The period of time from November 15 to December 9 is 23 days. I have calculated the potential interest earnings at 5.28%, which has been the yield available in Fleet's MuniPlus account for the past 30 days. For an investment of \$4,130,000, at 5.28%, for 23 days, the City would earn \$13,932. Therefore, the PRA should reimburse the City in the amount of \$4,143,932 [\$4,130,000 advance plus \$13,932 interest]. Of course, if the advance from the City were made earlier or later than November 15th, the potential interest earnings would be adjusted accordingly.

I hope that this information is helpful. Please let me know if you have any questions or need anything further.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Maureen Gurghigian', with a stylized flourish at the end.

Maureen Gurghigian