

2022 AUG 10 P 1:16

CHAPTER 2022-34

No. 299 AN ORDINANCE AUTHORIZING THE CITY OF PROVIDENCE TO ISSUE NOT TO EXCEED \$125,000,000 GENERAL OBLIGATION BONDS, NOTES AND OTHER EVIDENCES OF INDEBTEDNESS TO FINANCE THE CONSTRUCTION, RENOVATION, IMPROVEMENT, ALTERATION, REPAIR, LANDSCAPING, FURNISHING AND EQUIPPING OF SCHOOLS AND SCHOOL FACILITIES THROUGHOUT THE CITY AND ALL COSTS RELATED THERETO, SUBJECT TO APPROVAL OF STATE HOUSING AID AT A REIMBURSEMENT RATE OR STATE SHARE RATIO OF NOT LESS THAN 75% AT THE TIME OF ISSUANCE FOR THOSE EXPENDITURES WHICH ARE ELIGIBLE FOR STATE AID AND PROVIDED THAT THE AUTHORIZATION SHALL BE REDUCED BY THE AMOUNT OF CERTAIN GRANTS RECEIVED FROM STATE BOND PROCEEDS, FROM THE RHODE ISLAND DEPARTMENT OF EDUCATION OR FROM THE RHODE ISLAND SCHOOL BUILDING AUTHORITY

APPROVED August 10, 2022

Be it ordained by the City of Providence:

WHEREAS, The City of Providence (the "City") desires to finance the construction, renovation, improvement, alteration, repair, landscaping, furnishing and equipping of schools and school facilities throughout the City and all costs related thereto (the "Projects") and to finance the Projects through the issuance of bonds; and

WHEREAS, The estimated maximum cost of the Projects is \$125,000,000; and

WHEREAS, The period of usefulness of the Projects are expected to be approximately thirty (30) years; and

WHEREAS, The net general obligation debt of the City (secured by the full faith and credit and taxing power of the City) after the issuance of the Bonds (defined below) is expected to be \$269,097,063, and together with the \$140,000,000 in authorized but unissued school bonds approved by the electors in 2020 (the "2020 School Bond Authorization"), would be \$409,097,063, assuming the full principal amounts were issued; and

WHEREAS, The amount of borrowing authorized pursuant to this Ordinance, the 2020 School Bond Authorization and the 2018 School Bond Authorization shall be reduced by the amount of certain grants actually received by the City from State of Rhode Island ("State") bond proceeds, from the Rhode Island Department of Education ("RIDE") or from the Rhode Island School Building Authority and therefore, the Bonds actually issued will be within all debt and other limitations prescribed by the Constitution and laws of the State.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PROVIDENCE:

SECTION 1. In addition to sums heretofore appropriated, the sum of \$125,000,000, plus any premium received on the sale of the Bonds and Notes (defined below) is appropriated to finance the Projects.

SECTION 2. Pursuant to Rhode Island General Laws § 45-12-2 and Section 807(e) of the Providence Home Rule Charter, the City Treasurer and the Mayor are authorized to issue general obligation bonds of the City in a principal amount not to exceed \$125,000,000 (the "Bonds") in order to meet the foregoing appropriation.

SECTION 3. The said officers from time to time may issue and refund not exceeding \$125,000,000 interest bearing or discounted notes (the "Notes") in anticipation of the issue of said Bonds pursuant to Section 807(h) of the Providence Home Rule Charter. Such Notes may be issued in the amount of \$140,000,000 without any reduction for any grant for the Projects received from State bond proceeds, from RIDE or from the Rhode Island School Building Authority.

SECTION 4. The City may be eligible for school housing aid reimbursement on debt service pursuant to chapter 7 of title 16, or for a grant, loan or other financial assistance from proceeds of bonds issued by the State, from RIDE or from the Rhode Island School Building Authority for such Projects. The amount of borrowing authorized pursuant to this Ordinance shall be reduced by the amount of certain grants actually received by the City from State bond proceeds, from RIDE or from the Rhode Island School Building Authority; provided however, that the amount of borrowing authorized shall not be reduced by the amount of any grant received by the City for any portion of the projects funded by capital reserve funds. Bonds, Notes or other evidences of indebtedness shall not be issued under this Ordinance unless the City has received a letter from RIDE confirming that the then-current school housing aid reimbursement rate under chapter 7 of title 16, as amended from time to time, or financial assistance from the School Building Authority Capital Fund, or pursuant to any other law hereafter enacted providing for funds to municipalities for school housing purposes, is not less than seventy five percent (75%) for those expenditures which are eligible for state aid at the time of issuance. In addition, Bonds, Notes or other evidences of indebtedness shall not be issued under this Ordinance unless the principal amount of such obligations will be within all debt and other limitations prescribed by the State Constitution and laws of the State at the time of issuance.

SECTION 5. The manner of sale, forms, amount, denominations, maturities, conversion or registration privileges, interest rates, and other conditions and details of the Bonds and Notes authorized herein shall be fixed by the said officers.

SECTION 6. Subject to Sections 13 and 14 of this Ordinance, the City Council hereby authorizes the City Treasurer and the Mayor, acting on behalf of the City, to issue the Bonds and Notes for the purposes set forth herein and to take all actions as they deem necessary to effect the issuance of the Notes and Bonds. The Bonds and Notes shall be issued by the City under its corporate name and seal or a facsimile of such seal. The Bonds and Notes shall be signed by the manual or facsimile signature of the City Treasurer and the Mayor.

SECTION 7. The City Treasurer and the Mayor are hereby authorized to issue the Bonds and Notes and deliver them to the purchaser and said officers are hereby authorized and instructed to take all actions, on behalf of the City, necessary to ensure that interest on the Bonds and Notes or any loan funding such Projects will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause interest on the Bonds and Notes or loans to become subject to federal income taxes.

SECTION 8. The Bonds and Notes may be issued either alone or consolidated with other issues of notes or bonds of the City.

SECTION 9. The City's Finance Director is authorized to execute and deliver continuing disclosure certificates in connection with the Bonds and Notes issued by the City, in such form as shall be deemed advisable by the City's Finance Director. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of each continuing disclosure certificate, as it may be amended from time to time. Notwithstanding any other provision of this Ordinance or the Bonds or Notes, failure of the City to comply with any continuing disclosure certificate shall not be considered an event of default; however, any bondholder or noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Ordinance and under any continuing disclosure certificate.

SECTION 10. The City Treasurer and the Mayor are also authorized, empowered and directed, on behalf of the City, to: (i) execute, acknowledge and deliver any and all other documents, certificates or instruments necessary to effectuate such borrowing, including, without limitation, a Preliminary Official Statement, a final Official Statement, all in such form and with such provisions as such officer shall deem advisable; (ii) amend, modify or supplement the bonds or notes and any and all other documents, certificates or instruments at any time and from time to time, in such manner and for such purposes as such officers shall deem necessary, desirable or advisable; (iii) do and perform all such other acts and things deemed by such officers to be necessary, desirable or advisable with respect to any matters contemplated by this Ordinance in order to effectuate said borrowing and the intent hereof.

SECTION 11. This Ordinance is an affirmative action of the City Council of the City of Providence toward the issuance of Bonds and/or Notes in accordance with the purposes of the laws of the State. This Ordinance constitutes the City's declaration of official intent pursuant to Treasury Regulation Section 1.150-2 to reimburse the City's General Fund for certain capital expenditures for the Projects paid on or after the date which is sixty (60) days prior to the date of this Ordinance, but prior to the issuance of the Bonds and/or Notes. Such amounts to be reimbursed shall not exceed \$125,000,000, and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid, or (b) the date the Projects are placed in service or abandoned but in no event later than three (3) years after the date the expenditure is paid.

SECTION 12. No Bonds or Notes shall be issued pursuant to the authority of this Ordinance until a majority of the electors of the City has approved the loan. The question of the approval of the loan shall be placed before the qualified electors of the City of Providence at the state general election to be held on November 8, 2022, shall be submitted in substantially the following form:

"Shall an Ordinance of the City Council effective on **August 10**, 2022 authorizing the issuance of up to \$125,000,000 general obligation bonds of the City pursuant to Rhode Island General Laws § 45-12-2 and § 807 of the City's Home Rule Charter in order to finance the construction, renovation, improvement, alteration, repair, landscaping, furnishing and equipping of schools and school facilities throughout the City and all costs related thereto, subject to approval of state housing aid at a reimbursement rate or state share ratio of not less than 75% for those expenditures which are eligible for state aid at the time of issuance and provided that the authorization shall be reduced by the amount of certain grants received from State bond proceeds, from the Rhode Island Department of Education or from the Rhode Island School Building Authority, be approved?"

SECTION 13. If and when the City issues said Bonds or Notes, it will issue them in one or more tranches. Notes, if any, may be issued in anticipation of Bonds not more than one (1) more year prior to the issuance of each series of Bonds. The City Council hereby extends the time limit for bond issuance pursuant to Article VIII, Section 807(p) of the City's Home Rule Charter, to the date which is five (5) years after the date the electors approve this Ordinance. Any Bonds must be issued not later than November 8, 2027.

SECTION 14. Prior to any issuance of any series of Bonds or Notes, the administration shall submit a spending plan for such Bonds or Notes to the City Council for review and approval by Resolution of the City Council.

SECTION 15. This Ordinance shall take effect upon its approval by the Mayor after its passage.

IN CITY COUNCIL
AUG 3 2022
FIRST READING
READ AND PASSED

ACTING

CLERK

IN CITY COUNCIL
AUG 10 2022
FINAL READING
READ AND PASSED

ACTING

JOHN J. IGLIOZZI, PRESIDENT

Date:

CLERK

Mayor

8/10/22

CITY OF PROVIDENCE
BOARD OF COMMISSIONERS
AND RESOLUTION
17 AUG 08 PM 1:17

RESOLUTION OF THE CITY COUNCIL

No. 275

Approved August 3, 2020

WHEREAS, The City Council of the City of Providence endorses and supports the issuance of general obligation bonds, notes and other evidences of indebtedness to finance the construction, renovation, improvement, alteration, repair, landscaping, furnishing and equipping of schools and school facilities throughout the city (the "Projects"); and

WHEREAS, In order to undertake and complete the Projects, there would be a need to issue bonds, notes or other evidences of indebtedness in an amount not to exceed \$140,000,000.

NOW, THEREFORE, BE IT RESOLVED, That the City of Providence hereby memorializes the General Assembly to enact legislation authorizing the City, with the approval of the qualified electors, to issue bonds, notes or other evidences of indebtedness in an amount not to exceed One Hundred Forty Million Dollars (\$140,000,000) for the above purposes, subject to approval of state housing aid at a reimbursement rate or state share ratio of not less than 75% at the time of issuance and provided that the authorization shall be reduced by the amount of certain grants received from State of Rhode Island ("State") bond proceeds, from the Rhode Island Department of Education or from the Rhode Island School Building Authority.

BE IT FURTHER RESOLVED, That the City Solicitor, working with Bond Counsel for the City of Providence, ensure that the appropriate legislation in substantially the form attached hereto is submitted in a timely manner to the Rhode Island General Assembly to ensure that all requirements are met to ensure consideration of this question by the electors.

BE IT FURTHER RESOLVED, That this resolution is an affirmative action of the City Council of the City of Providence toward the issuance of bonds, notes or other evidences of indebtedness in accordance with the purposes of the laws of the State. This resolution constitutes the City's declaration of official intent, pursuant to Treasury Regulation Section 1.150(2), to reimburse the City for certain capital expenditures for the Projects paid on or after the date which is sixty (60) days prior to the date of this resolution but prior to the issuance of the bonds or notes. Such amounts to be reimbursed shall not exceed \$140,000,000 and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid, or (b) the date the Projects are placed in service or abandoned, but in no event later than three (3) years after the date the expenditure is paid.

BE IT FURTHER RESOLVED, That this Resolution shall take effect upon its passage.

IN CITY COUNCIL

JUL 31 2020

READ AND PASSED, AS AMENDED

Sabrina Muto
PRES.

Karen Alkhal
CLERK

I HEREBY APPROVE

Date:

Mayor

8/3/20



Tearing Down Low Expectations

Overview: Every child deserves to attend a 21st century learning environment. Unfortunately, this is not a reality for many Rhode Island students that enroll in our neediest districts. Providence Public School District is faced with over \$700M in identified building deficiencies and declining enrollment. By creating a facility master plan, PPSD can strategically maximize its investment of educational dollars that provide students with newer facilities.

Goal: By 2027-2028 almost 50% of Providence school buildings will be considered new, compared to 5% prior to 2019 – a tenfold increase.

CITY OF PROVIDENCE
BOARD OF CANVASSERS
AND REGISTRATION
2023 AUG 10 1P 1:17

PPSD - % of New Buildings

