

# RESOLUTION OF THE CITY COUNCIL

*No.* 270

*Approved* May 13, 1978

RESOLUTION AUTHORIZING THE DEPARTMENT OF PLANNING AND URBAN DEVELOPMENT ON BEHALF OF THE CITY OF PROVIDENCE TO PREPARE AND SUBMIT AN APPLICATION FOR TWO (2) URBAN DEVELOPMENT ACTION GRANTS.

WHEREAS, the filing of Urban Development Action Grants by the City of Providence is authorized by Title I, Section 119, Part 570, Subpart G, of the Housing and Community Development Act of 1974, as amended by Section 110 of the Housing and Community Development Act of 1977, and as finalized on January 10, 1978; and

WHEREAS, the aforesaid Federal regulations authorize the Department of Housing and Urban Development to make grants to assist distressed cities and distressed urban counties in revitalizing their economic bases and reclaiming deteriorated neighborhoods by means of public and private sector cooperation; and

WHEREAS, the City of Providence deems it necessary and in the public interest (1) to revitalize its commercial and industrial sectors, (2) to increase the City's employment base, (3) to increase the City's tax base, (4) to renovate existing industrial buildings, and (5) to encourage the cooperation of the public and private sectors; and

WHEREAS, the City of Providence deems it appropriate to contribute to the aforementioned efforts by assuring the retention and providing for the expansion of the Blue Cross/Blue Shield facilities, and by providing funding for the renovation of the former Queen Dyeing Company complex, owned by Uncas Manufacturing; and

WHEREAS, Urban Development Action Grants are available for the activities and undertakings proposed herein.

NOW, THEREFORE, BE IT RESOLVED by the CITY COUNCIL OF THE CITY OF PROVIDENCE as follows:

1. It is hereby found necessary and in the public interest to file two (2) applications to the Department of Housing and Urban Development for Urban Development Action Grants, one for expansion of the Blue Cross/Blue Shield facility in the amount of \$1,188,000 and the other in the amount of \$50,000 for the renovation of the former Queen Dyeing Company complex, owned by Uncas Manufacturing.

2. The Department of Planning and Urban Development is hereby authorized and designated as the representative of the City for filing the two (2) applications with the Department of Housing and Urban Development, and to do all work necessary to carry out the terms of the contract between the City and the Department of Housing and Urban Development relative to said Urban Development Action Grants.

3. That the United States of America and the Department of Housing and Urban Development be, and they are hereby assured of full compliance by the City of Providence with all regulations of the United States Government effectuating the receipt of Federal Grants under the Housing and Community Development Act, as amended.

IN CITY COUNCIL  
MAY 4 1978  
READ AND PASSED  
*Ralph L. Lynch* PRES.  
*Rose M. Mendonca* CLERK

APPROVED  
MAYOR  
*Vincent A. Cianci*  
MAY 13 1978

FILED  
APR 17 8 41 AM '78  
DEPT. OF CITY CLERK  
PROVIDENCE, R.I.

APR 17 1978

IN CITY COUNCIL  
APR 20 1978  
FIRST READING  
REFERRED TO COMMITTEE ON

URBAN REDEVELOPMENT  
RENEWAL & PLANNING

Jose M. Mendonca CLERK

THE COMMITTEE ON  
URBAN REDEVELOPMENT  
RENEWAL & PLANNING  
Approves Passage of  
The Within Resolution

Jose M. Mendonca  
Clerk Chairman  
April 27, 1978

Councilman Sealman and Councilman Mansalillo (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

April 14, 1978

Mrs. Rose M. Mendonca  
City Clerk  
City Clerk's Office  
City Hall  
Providence, RI 02903

Re: Resolution Authorizing the Department of Planning and Urban Development  
on behalf of the City of Providence to Prepare and Submit An Application for  
Two (2) Urban Development Action Grants.

Dear Mrs. Mendonca:

The Housing and Community Development Act of 1977 establishes an Urban Development Action Program as a major new initiative for the Nation's distressed urban areas. Under this program, the Secretary of the Department of Housing and Urban Development is authorized to make urban development action grants from amounts approved in appropriations Acts to severely distressed cities and urban counties to help alleviate physical and economic deterioration through reclamation of neighborhoods having excessive housing abandonment or deterioration, and through community revitalization in areas of population outmigration or stagnating or declining tax base. These grants are in addition to other forms of Federal assistance, including assistance provided under the block grant program. They are designed to take advantage of unique opportunities to attract and leverage private investment into severely distressed communities.

The City's of Pawtucket and East Providence recently received approval of a multi-million dollar Urban Development Action Grant (UDAG) to assist in the acquisition of the Narragansett Race Track for the proposed planned development of industrial, commercial and residential reuses.

Mrs. Rose M. Mendonca  
City Clerk

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This City has a serious need for a major industrial park, but unfortunately does not have large expanses of readily available land. However, there are unique situations wherein the loss of a major employer could be offset, or wherein a major employer could be given financial incentives to expand. Such are the cases for two major employers within this City.

Blue Cross/Blue Shield's board has directed its executive staff to search out relocation sites to satisfy its expansion requirements. The present 650 jobs with a \$9 Million payroll, and expanding employment anticipated to be 350 jobs over five years, could be lost to the City of Providence if the UDAG package described herein is not approved by the Department of Housing and Urban Development. This package proposes that a \$1,188,000 UDAG be provided Blue Cross/Blue Shield to build a 240 space parking garage adjoining a new 65,000 square foot building that it would construct at a cost of \$3,720,000. The parking deck construction would be sited on undeveloped land owned by the Providence Redevelopment Agency; the new building would be constructed on an under-utilized section of Empire Park; and the two (2) buildings would be connected to the present Blue Cross building by an overhead passageway.

Uncas Manufacturing Company has recently acquired the former Queen Dyeing Company complex and will, if a \$50,000 UDAG is provided, add \$200,000 of private capital to rehabilitate that building for expansion purposes that will add 150 jobs within four years.

In summary, the provision of a \$1,188,000 Urban Development Action Grant for Blue Cross/Blue Shield will retain 650 jobs and provide for an additional 350 jobs within five years; and the provision of a \$50,000 grant to Uncas Manufacturing Company will assure its expansion within the City of Providence.


The aforesaid two (2) grants have been submitted to the State for A-95 review and must be submitted to the Department of Housing and Urban Development by April 30, 1978. It is therefore respectfully requested that the attached proposed

Mrs. Rose M. Mendonca  
City Clerk

April 14, 1978

resolution be presented to the City Council for its April 20th meeting and that favorable action be taken at its first meeting in May.

Sincerely yours,

  
Stanley Bernstein  
Director

Attachments (10):

SB:MJD