

RESOLUTION OF THE CITY COUNCIL

No. 227

Approved April 7, 1961

Resolved,

That the City Solicitor be and he is hereby directed to cause the introduction and urge passage of the accompanying draft Act creating the "Providence Renewal Authority".

IN CITY COUNCIL

APR 6 - 1961

READ and PASSED

Edward P. Dugley
.....
President
Russell Wheeler
.....
Clerk

APPROVED

APR 7 1961

Walter H. Reynolds
.....
MAYOR

RESOLUTION
OF THE
CITY COUNCIL

State of Rhode Island, &c.

IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 19 61

AN ACT

CREATING THE PROVIDENCE RENEWAL AUTHORITY AND PROVIDING FOR
ITS POWERS AND DUTIES

It is enacted by the General Assembly as follows:

ARTICLE 1. DECLARATION OF NECESSITY AND PURPOSE OF ACT.

SECTION 1. Declaration of necessity. It is hereby determined as a matter of legislative finding:

(a) That a general program of renewal must be commenced immediately in certain areas of the City of Providence and especially in the downtown area thereof to safeguard the health, safety, and welfare of the people of said city and of the State of Rhode Island generally, and to cope with the social and economic problems caused by the growth and mobility of the population, and the resulting shifts in the location of residences and changes in living and working habits, generally throughout the country and specifically in the State of Rhode Island, have created grave problems in central cities of the State and in the City of Providence in particular which said problems include traffic congestion, inadequate parking facilities and the resultant general decline in property values in said areas resulting from numerous buildings in said areas being permitted to remain in a condition of dilapidation, deterioration and obsolescence;

(b) That free circulation of traffic of all kinds through the streets of the City of Providence is necessary to the health, safety, and general welfare of the public, whether residing in said city or traveling to, through, or from said city in the course of lawful pursuits:

(c) That the parking of motor vehicles on the streets, in addition to the greatly increased use by the public of motor vehicles of all kinds, has caused traffic congestion in the streets of Providence to such an extent as to interfere seriously with the primary use of such streets for the movement of traffic, for the effective fighting of fires and for the disposition of police forces in said city, and consequently endangers the health, safety, and welfare of the public;

(d) That such traffic congestion and parking problems result in loss in valuations of property in the City of Providence and in turn lead to the general neglect of such property, with the consequent decline in tax revenues;

(e) That it is to the interest and welfare of the people of the City of Providence and to the State of Rhode Island that said areas of deterioration and dilapidation in said city, and especially in the downtown area thereof, be renewed by replacement with buildings or projects to be devoted wholly or partially to public uses;

(f) That the continued existence of these conditions has created an emergency which threatens the welfare of the community; that such emergency can be reduced by providing sufficient off-street parking facilities properly located in the different areas of said city, and by the removal of obsolete and dilapidated buildings, and replacing them with buildings and projects to be devoted wholly or partially to public uses and for revenue-producing purposes;

(g) That the establishment of a renewal authority will promote the health, safety, and welfare of the people of the City of Providence and of the State of Rhode Island.

SEC. 2. Policy and Purpose of Act. Therefore it is declared to be the policy of the State to promote the safety and welfare of the inhabitants thereof to control such economic and social decline by the comprehensive and sustained use of corrective methods and techniques, and to that end by the creation in the City of Providence of a body corporate and politic to be known as "Providence Renewal Authority", which shall exist and operate for the purposes contained in this act, and such purposes are declared to be public uses for which private property may be acquired by the exercise of the power of eminent domain.

ARTICLE II. CREATION AND ORGANIZATION.

SECTION 1. There is hereby created a body corporate and politic to be known as the "Providence Renewal Authority", consisting of five (5) members who shall be appointed by the Mayor of the City of Providence with the approval of the City Council as herein provided.

Forthwith upon the passage of this act, the Mayor shall appoint one member to serve until the first day of April, 1962, one member to serve until the first day of April, 1963, one member to serve until the first day of April, 1964, one member to serve until the first day of April, 1965, and one member to serve until the first day of April, 1966, and until their respective successors shall be duly appointed and qualified, and shall designate one of said appointees as Chairman.

In the month of March, 1962, and in the month of March annually thereafter, the mayor shall appoint one member of said Authority to serve for a term of five (5) years to succeed the member whose term will then next expire. In the event of a vacancy occurring in said membership, the mayor shall appoint a member for the unexpired term. Any member of the Authority shall be eligible for reappointment.

Each member of the Authority before entering upon his duties shall take an oath to administer the duties of his office faithfully and impartially, and such oath shall be filed in the office of the City Clerk of the City of Providence.

Members of the Authority may be removed by the Mayor for Malfeasance, Misfeasance or nonfeasance provided that such member so charged shall be entitled to a public hearing before an appropriate committee of the City Council.

The Mayor in March of each year shall designate one of its members as Chairman, and the Authority shall annually elect a vice chairman and shall also elect a secretary and a treasurer who may or may not be members of the Authority. Three members of the Authority shall constitute a quorum and the concurring vote of three members shall be necessary for any action by the Authority. No vacancy in the membership of the Authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. The members of the Authority shall not be entitled to compensation for their services but shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties.

Section 2. No member, officer, or employee of the Authority who in the course of his duties is required to participate in the formulation of plans or policies for the carrying out of a project or project area, or to approve such plans and policies, shall acquire any interest in any property or contract included within a project, such acquisition shall be grounds for immediate removal from office or employment and shall make any contract voidable by the Authority.

If any such member, officer or employee owns or has any financial interest direct or indirect, in any property included within such project area or any contract executed in connection therewith, he shall immediately disclose, in writing, such interest to the Authority and such disclosure shall be entered in the minutes of the Authority. Failure to so disclose such interest shall constitute misconduct in office. Any such contract shall be voidable by the Authority.

No payment shall be made to any such member, officer, or employee for any property or interest therein acquired by the Authority from such member, officer, or employee, unless the amount of such payment is fixed by Court Order in eminent domain proceedings.

ARTICLE III. DEFINITIONS.

Section 1. As used in this act, the following words and terms unless a different meaning is plainly required by the context, shall have the following meanings:

(a) The word "authority" shall mean the Providence Renewal Authority created by Article II of this act, or, if said Providence Renewal Authority shall be abolished, the board, body or commission succeeding to the principal functions thereof or to which the powers thereof shall be given by law.

(b) The word "Project" shall mean any structure, facility, or undertaking which the Authority is authorized to construct, improve, equip, furnish, maintain, acquire, or operate under the provisions of this act.

(c) The word "person" shall mean and include natural persons, firms, associations, corporations, business trusts, partnerships, and public bodies.

(d) The term "federal agency" shall mean and include the United States of America, and any department, of, or corporation, agency, or instrumentality heretofore or hereafter created, designated, or established by the United States of America.

(e) The word "bonds" shall mean and include the notes, bonds, and other evidence of indebtedness or obligations which the Authority is authorized to issue pursuant to this act.

(f) The word "constructions" shall mean and include acquisition and construction or repair or renovation, and the term "to construct" shall mean and include to acquire and to construct, repair or renovate, all in such manner as may be deemed desirable.

(g) The term "improvement" shall mean and include extension, and enlargement, and alteration, and the term "to improve" shall mean and include to extend, to enlarge, and to alter all in such manner as may be deemed desirable.

(h) The terms "equipment" and "furnishings" shall mean and include any equipment, and furnishings whatsoever as may be deemed desirable and required by the leases of a project for the use and occupancy of such project, and the terms "to equip" or "to furnish" shall mean and include the installation of such equipment and furnishings.

(i) The word "cost" as applied to any project to be constructed by the Authority shall embrace the cost of construction, the cost of the acquisition of all land, rights-of-way, property, rights, easements, and interests acquired by the Authority for such construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction, cost of estimates and of planning, engineering and legal services, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of such construction, administrative expenses, and such other expenses as may be necessary or incident to such construction, and the placing of the project in operation. The word "cost" as applied to any project which the authority may be authorized to acquire shall mean the amount of the purchase price or the amount of any condemnation award in connection with the acquisition of such project, in order to vest title to such project which may be determined by the Authority to be necessary prior to the financing thereof, interest during the period of construction of such improvements and for one year thereafter,

the cost of all lands, properties, rights, easements, franchises, and permits acquired, the cost of planning, engineering and legal services, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of such acquisition or improvement, administrative expenses, and such other expenses as may be necessary or incident to the financing of such acquisition or improvement and the placing of such project in operation by the Authority.

(j) The word "owner" shall mean and include all individuals, incorporated companies, co-partnerships, societies or associations and also municipalities, political subdivisions and all public agencies and instrumentalities having any title or interest in any property, rights, assessments or franchises authorized to be acquired under the provisions of this act.

ARTICLE IV. AUTHORIZATION AND CONSTRUCTION OF PROJECTS.

Section 1. Acquisition and Construction of Projects.

In order to benefit the people of the City of Providence and to facilitate the conduct of their public business, the authority is hereby authorized and empowered within the City of Providence to acquire and construct buildings or to develop any projects to be devoted wholly or partially for public uses, and for revenue-producing purposes, where said buildings and projects are in conformance with any master plan recommended by the City Plan Commission and which master plan has been approved by the City Council, together with all facilities necessary or incident thereto; and to issue revenue bonds of the Authority, payable solely from resources of the Authority to finance the same. No such acquisition, construction, or development shall be undertaken without the prior approval of the City Council.

The City of Providence and other political subdivisions and all public agencies and commissions of the State of Rhode Island, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, grant or convey to the Authority at its request upon such terms and conditions as the proper authorities of said City of Providence and the respective other political subdivisions or public agencies and commissions may deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which may

be necessary or convenient to the effectuation of the authorized purposes of the Authority, including real property devoted to public use.

The Authority is hereby authorized and empowered to contract for the acquisition of any of its projects or portions thereof by the United States; and to contract with any state, federal, or municipal agencies for the performance of any services essential or convenient to its purposes under this act.

ARTICLE V. POWERS OF AUTHORITY.

Section 1. Powers. The Authority is hereby authorized and empowered; (a) to adopt by-laws for the regulation of its affairs and the conduct of its business;

(b) to adopt an official seal and alter the same at pleasure;

(c) to maintain an office at such place or places within the City of Providence as it may designate;

(d) to sue and be sued in its own name, plead and be impleaded; provided, however, that any and all actions at law or in equity against the Authority shall be brought only in Providence County;

(e) to acquire, purchase, hold, use, lease and dispose of any property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the Authority; and (without limitation of the foregoing) to lease as lessee, any property, real, personal or mixed, or any interest therein for a term not exceeding ninety-nine (99) years at a nominal rental or at such annual rental as may be determined; and, to lease as lessor to the city government or any political subdivision thereof, or any agency, department, or public body of the city or state, any project at any time constructed by the Authority, and any property, real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired by the Authority; and to sell, transfer and convey to the city, any project at any time constructed by the Authority, and any property, real, personal or mixed, tangible or intangible or any interest therein, at any time acquired by the Authority.

(f) to acquire by purchase, lease or otherwise, and to construct, improve, equip, furnish, maintain, repair, and operate projects.

All projects proposed to be constructed or developed by the Authority, shall be submitted to the plan commission of the City of Providence to report as to conformity. If the plan commission shall fail to act within twenty-five days with regard to the said project, it shall be deemed to have approved the same.

(g) to employ, in its discretion, planning, architectural, or engineering consultants, attorneys, accountants, construction and financial experts, superintendents, managers, and such other officers, employees and agents as may be necessary in its judgment and to fix their compensation;

(h) to fix and revise from time to time, subject to the provisions of this act, and to charge and collect fees, rentals, and other charges for the use of the facilities of, or for the services rendered by, the Authority or projects thereof, at reasonable rates, to be determined by it, for the purpose of providing for the payment of the expenses of the Authority, the construction, improvements, repair, equipping, furnishing, maintenance, and operation of its facilities and properties, the payment of the principal of and interest on its obligations, and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any such obligations.

(i) to issue revenue bonds of the Authority for any of its purposes, payable solely from the revenues pledged for their payment, and to refund its bonds, all as provided in this act;

(j) to borrow money in anticipation of the issuance of bonds for any of its purposes and to issue notes, certificates, or other evidences of such borrowing in such form as may be authorized by resolution of the Authority, such notes, certificates, or other evidence of such borrowing to be payable in the first instance from the proceeds of any bonds issued under the provisions of this act and to contain on their face a statement to the effect that neither the city, the Authority nor other political subdivision of the city shall be obligated to pay the same or the interest thereon, except from the proceeds of bonds in anticipation of the issuance of which such notes, certificates, or other evidences of borrowing shall have been issued, or from revenues:

(k) to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this act;

(l) without limitation of the foregoing, to borrow money from, to receive and accept grants for or in aid of construction or acquisition of projects authorized under this act from, and to enter into contracts, leases or other transactions with, any federal agency, and to receive and accept from the state, from any municipality, or other political sub-division thereof and from any other source, aid or contributions of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;

(m) to combine for financing purposes any two or more projects authorized to be acquired or constructed under the provisions of this act;

(n) to acquire in the name of the Authority by purchase or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the rights of condemnation in the manner hereinafter provided, such public or private lands, including public parks, playgrounds or reservations, or parts thereof on rights therein, rights-of-way, property, rights, easements and interests as it may deem necessary, for carrying out the provisions of this act; provided, however, that all public property damaged in carrying out the powers granted by this act shall be restored or repaired and placed in its original condition, or equivalent facilities provided, as nearly as practicable; and further provided that property of any owner which has the right to exercise the power of eminent domain shall be taken by condemnation only with the consent of said owner.

(o) to do all other acts and things necessary or convenient to carry out the powers expressly granted in this act.

ARTICLE VI A RESOLUTION OF INTENTION.

SECTION 1. Resolution of Intention. Whenever the Authority shall determine that the public interest and convenience require the construction of a particular project, it shall adopt a resolution declaring its intention to construct such a project. Such resolution shall contain:

- (a) The determination and declaration referred to above.
- (b) A general description of the project.
- (c) A general description of the area of the City to be covered thereby.
- (d) A general statement of the source of funds to be used for such acquisition and construction.

(d) A day, hour and place at which a public hearing will be held for a public discussion of said project, and a statement that any and all persons in favor of or having any objection to the construction of said project may appear at that time and be heard.

ARTICLE VI. EMINENT DOMAIN PROCEEDINGS.

Section 1. Procedure. The authority shall have the right to acquire any land or other real property or any interest therein, by the exercise of the power of eminent domain, whenever it shall be determined by the Authority that the acquisition of such land or other real property, or interest, is necessary for the construction of the operation of any project.

(a) The necessity for such acquisition shall be conclusively presumed upon the adoption by the Authority of a resolution declaring that the acquisition of the land or other real property or interest therein, described in such resolution is necessary for such construction or operation. Within six months thereafter the Authority shall cause to be filed in the office of the Recorder of Deeds of the City of Providence a copy of such resolution of the Authority, together with a plat of the real property, or interest therein described, and a statement, signed by the chairman and secretary of the authority, that such lands, or interest therein, are taken pursuant to the provisions of this act, Thereupon the Authority shall file in the Superior Court in and for the county of Providence, a statement of the sum of money estimated by the Authority to be just compensation for the land taken.

(b) Upon the filing of the copy of such resolution, plat and statement in the office of the Recorder of Deeds, the filing in the Superior Court, of the statement, and the depositing in the Superior Court, to the use of other persons entitled thereto, of such sum as the court shall determine to be amply sufficient to satisfy the claims of all persons interested in said land (and the court may, in its discretion, take evidence on the question to determine the sum to be deposited), title to such land, or interest therein, shall vest in the Authority in fee simple absolute and the authority thereupon may take possession of said land, or interest therein.

(c) No sum so paid into the court shall be charged with clerk's fees of any nature. After the filing of such copy, plat and statement, notice of the taking of such land, or interest therein, shall be served upon the owners of

and persons

having an estate in and interested in such land by the sheriff of Providence County or his deputies, leaving a true and attested copy of such description and statement with each of such persons personally, or at their last and usual place of abode in this state with some person living there and in case any of such persons are absent from this state and have no last and usual place of abode therein occupied by any person, such copy shall be left with the persons, if any, in charge of or having possession of such land, or interest therein, taken of such absent persons if the same are known to said officer; and after the filing of such resolution, plat and statement, the secretary of the Authority shall cause a copy of such resolution and statement to be published in some newspaper published or having general circulation in Providence County, at least once a week for three successive weeks. If any person shall agree with the Authority for the price of the land, or interest therein, so taken, the court upon the application of the parties in interest, may order that the sum agreed upon be paid forthwith from the money deposited, as the just compensation to be awarded in said proceeding.

(d) Any owner of or persons entitled to any estate in or interested in any part of the land, or interest therein, so taken, who cannot agree with the Authority for the price of the land, or interest therein, so taken in which he is interested as aforesaid, may, within one year after personal notice of said taking, or if he have no personal notice, may within two years from the first publication of a copy of such resolution and statement, apply by petition to the Superior Court in and for Providence County setting forth the taking of his land or interest therein, and praying for an assessment of damages by a jury or by the court sitting without a jury. Upon filing of such petition the court shall cause twenty day's notice of the pendency thereof to be given to the Authority by serving the chairman or vice chairman of the Authority with a certified copy thereof, and may proceed after such notice to the trial thereof, and such trial shall determine all questions of fact relating to the value of such land, or interest therein, and the amount thereof, and judgment shall be entered upon the verdict, and execution shall be issued therefor against the money so deposited in court and in default thereof against any other property of the Authority. In case two or more conflicting petitioners make claim to the same land, or to any interests therein, or to different interests in the same parcel of land, said court upon motion may consolidate their several petitions for the trial at the same time, and may frame all necessary issues for the trial thereof.

(c) If any lands, or interests therein, in which any infant or other person not capable in law to act in his own behalf is interested are taken by the Authority under the provisions of this act, said Superior Court, upon the filing therein of any such petition by or in behalf of such infant or other person, may appoint a guardian ad litem for such infant or other person, and such guardian may appear and be heard in behalf of such infant or other person; and such guardian may also with the advice and consent of said Superior Court and upon such terms as said Superior Court may prescribe release to the Authority all claims for damages for the lands of such infant or other person or for any such interest therein. Any lawfully appointed, qualified and acting guardian or other fiduciary of the estate of any such infant or other person, with the approval of the court or probate within this state having jurisdiction to authorize the sale of lands and properties within this state of any such infant or other person, may, before the filing of any such petition, agree with the Authority upon the amount of damages suffered by such infant or other person by any taking of his lands or of his interests in any lands, and may, upon receiving such amount, release to the Authority all claims of damages of such infant or other person for such taking.

(f) Whenever, from time to time the Authority has satisfied the court that the amount deposited with the court is greater than is amply sufficient to satisfy the claims of all persons interested in said land, the court may order that the amount of any such excess, including any interest or increment on any sums so deposited shall be repaid to the Authority. Whenever the Authority has satisfied the court that the claims of all persons interested in the land taken have been satisfied, the unexpended balance including any interest or increment on any sums so deposited shall be paid forthwith to the Authority.

(g) In any proceedings for the assessment of compensation and damages for land or interest therein taken or to be taken by eminent domain by the Authority the following provisions shall be applicable.

(1) At any time during the pendency of such action or proceeding, the Authority or an owner may apply to the court for an order directing an owner or the Authority, as the case may be, to show cause why further proceedings should not be expedited, and the court may upon such application make an order requiring that the

hearing proceed and that any other steps be taken with all possible expedition.

(2) If any of the land, or interest therein, is devoted to a public use, it may nevertheless be acquired as heretofore provided and the taking shall be effective provided that no land or interest therein, belonging to a public utility corporation may be acquired without the approval of the administrator of public utilities or other officer or tribunal having regulatory power over such corporation. Any land, or interest, therein, already acquired by the Authority may nevertheless be included within such taking for the purpose of acquiring any outstanding interests in such land.

(3) If after hearing by the Superior Court, damages finally awarded in respect to the property taken, or any part thereof, shall exceed the amount of money originally offered by the Authority, the Court shall enter judgment for said damages with interest from the date the Authority became entitled to enter upon and take possession of and use such land or interest or estate therein. If, however, the damages finally awarded are less than the amount originally offered by the Authority for the property then no interest shall be due on said judgment.

Upon the application of any party in interest and upon joinder of all other parties in interest, the Court, on such conditions as it may deem proper may order that the money deposited in the Court, or any part thereof, be paid forthwith without interest for or on account of the just compensation to be awarded in said proceeding. If the damages finally awarded in respect to said real property, or any part thereof, shall exceed the amount of the money so received by any person entitled thereto, the Court shall enter judgment against the funds so deposited in court or in default thereof against other property of said Authority for the amount of the deficiency plus interest on the deficiency and costs. If the judgment entered is less than the amount withdrawn, then and in that event judgment shall be entered for the Authority for the difference between the amount withdrawn and the amount of the judgment plus interest on the overpayment and costs.

Whenever interest is allowed it shall be computed at the prevailing rate paid by Savings Banks in the City of Providence.

(4) The Authority shall have power to make relocation payments to transients or eligible individuals, families and business concerns for moving expenses and losses of property resulting from their displacement by any project under taken by the Authority pursuant to the provisions hereof, subject to the following conditions:

(a) Definitions:

(1) "Relocation payments" shall mean payments by the Authority to transients eligible individuals or families and business concerns for their reasonable and necessary moving expenses and any actual direct losses of personal property to business concerns, except good will or profit, resulting from their displacement from any project.

(2) "Eligible individual or family" shall mean an individual or family owning furniture in housing accommodations.

(3) "Individual" shall mean a person who is not a member of a family as defined below.

(4) "Family" shall mean a group of two or more persons living together and related by blood, marriage or adoption of two or more single persons not related by blood, marriage or adoption, who are living together in a single housekeeping unit.

(5) "Transient" shall mean a displaced individual or family not owning furniture but occupying housing accommodations.

(6) "Business concern" shall include a corporation, firm, partnership, individual, or other entity engaged in some type of business or profession necessitating fixtures, equipment, stock in trade, or other tangible property for the carrying on of the business or profession. Nonprofit organizations and institutions such as churches and hospitals are included.

(7) "Occupied room" shall include all furnished rooms except bathrooms, hallways and closets.

Section 2. Upon presentation of evidence satisfactory to the Authority of the fact of relocation, there may be paid to each individual, transient, or family a sum of money in accordance with a schedule of payments provided for by the United States Government in Federally Aided Urban Renewal Projects. In the case of business concerns, the sum of money to be paid shall be based upon the actual necessary moving expense incurred and any direct losses sustained to personal property, but not goods kept for sale, good will or profit. Such payments shall be made subject to such rules and regulations as may be prescribed by the Authority and shall not exceed \$200.00 in the case of each transient, individual or family, or \$3,000.00 in the case of each business concern.

ARTICLE VII. REVENUE BONDS.

Section 1. Bond Provisions. The Authority is hereby authorized to provide by resolution for the issuance, at one time or from time to time, of revenue bonds of the Authority for the purpose of paying all or a part of the cost of any one or more projects, the construction or acquisition of which is authorized by this act. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment.

The bonds of each issue shall be dated, shall bear interest at such rate or rates not exceeding six per centum (6%) per annum, payable semi-annually, shall mature at such time or times not exceeding forty years from their date or dates, as may be determined by the Authority, and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of the bonds. The Authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of the principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the Chairman of the Authority or shall bear his facsimile signature, and the official seal of the Authority or a facsimile thereof shall be impressed or imprinted thereon and attested by the secretary of the Authority, and any coupons attached to the bonds shall bear the facsimile signature of the chairman of the Authority. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The Authority may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine will best effect the purpose of this act. The Authority may sell such bonds in such manner, either at public or private sale, and for such price as it may determine to be for the best interests of the Authority, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than six per centum per annum, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computation the amount of any premium to be paid on redemption of any bonds prior to maturity.

The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference of priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds or may be applied to the payment of the cost of any project thereafter financed under the provisions of this act.

Prior to the preparation of definitive bonds, the Authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Section 2. Credit of City of Providence Not Pledged. Revenue bonds issued under the provisions of this act shall not be deemed to constitute a debt of the city or any political subdivision thereof a pledge of the faith and credit of the city or any such political sub-division, but shall be payable solely from the funds provided therefore from revenues of the Authority. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the city nor the Authority shall be obligated to pay the same or the interest thereon except from revenues of the project or projects on account of which such bonds shall be issued and that neither the faith and credit nor the taxing power of the city or any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds.

No liability or obligation shall be incurred by the authority hereunder beyond the extent to which moneys shall have been provided under the provisions of this act.

Section 3. Trust Agreement. In the discretion of the authority any bonds issued under the provisions of this act may be secured by a trust agreement by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received, but shall not convey or mortgage any project or any part thereof. Such trust agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the Authority's cost of operation and maintenance.

Section 4. Revenues. The Authority is hereby authorized and empowered to fix and revise from time to time subject to the provisions of this act, and to charge and collect, fees, rentals, and other charges for the use of the facilities of, or the services rendered by, the Authority or projects thereof at reasonable rates to be determined by it.

Such fees, rentals, and other charges shall be so fixed and adjusted in respect of the aggregate of them from the project or projects or the portion or portions thereof in connection with which bonds shall have been issued under the provisions of this act as to provide a fund sufficient with other revenues, if any, to pay (a) the cost of maintaining, repairing and operating such project or projects or portion or portions thereof and (b) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserves for such purposes. Such fees, rentals, and other charges shall not be subject to supervision or regulation by any commission, board, bureau or agency of the city or other political subdivision thereof. The revenues derived from the project or projects or portion or portions in connection with which such bonds shall have been issued, except such part thereof as may be necessary to pay such cost of maintenance, repair and operation and to provide such reserves therefor as may be provided for in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or such trust agreement, in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the rentals' revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the Authority, which are hereby declared to be public records. The use and disposition of moneys to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in such resolution or such trust agreement, such sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

Section 5. Trust Funds. All moneys received pursuant to the provisions of this act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this act. The Authority shall, in the resolution authorizing the bonds or in the trust agreement securing such bonds, provide for the payment of the proceeds of the sale of the bonds and the revenues to be received to a trustee, which shall be any trust company or bank having the powers of a trust company within or without the state, who shall act as trustee of the funds, and hold and apply the same to the purposes of this act, subject to such regulations as this act and such resolution or trust agreement may provide.

Section 6. Remedies. Any holder of bonds issued under the provisions of this act or any of the coupons appertaining thereto, and the trustee under the trust agreement, except to the extent the rights herein given may be restricted by such trust agreement, may, either at law or in equity, by suit, action mandamus or other proceeding, protect and enforce any and all rights under the laws of the State or granted hereunder or under such trust agreement or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this act or by such trust agreement or resolution to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of fees, rentals, and other charges.

Section 7. Exceptions from Taxation. The exercise of the powers granted by this act will be in all respects for the benefit of the people of the City of Providence and of the State of Rhode Island, and for the facilitation of the conduct of their public business, and as the acquisition, construction, operating and maintenance by the Authority of the projects herein defined will constitute the performance of essential governmental functions, provided that the Authority shall not be deemed an instrumentality of the City or engaged in a Municipal function, the Authority shall not be required to pay any taxes or assessments upon such projects or upon any property acquired or used by the Authority under the provisions of this act or upon the income from such projects, and the bonds issued under the provisions of this act, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the State of Rhode Island. The Authority, however, may make payments to the City in lieu of taxes.

Section 8. Bonds Eligible for Investment. Bonds issued by the Authority under the provisions of this act are hereby made securities in which all public officers and public bodies of the State of Rhode Island and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, credit unions, building and loan associations, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

Section 9. Negotiable Instruments. Notwithstanding any of the foregoing provisions of this act or any recitals in any bonds issued under the provisions of this act, all such bonds shall be deemed to be negotiable instruments under the laws of this state.

Section 10. Revenue Refunding Bonds. The Authority is hereby authorized to provide for the issuance of revenue refunding bonds of the Authority for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this act, including the payment of any redemption premium thereon or any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of constructing improvement, extensions or enlargements of the project in connection with which the bonds to be refunded shall have been issued. The Authority is further authorized to provide by resolution for the issuance of its revenue bonds for the combined purpose of (a) refunding any bonds then outstanding which shall have been issued under the provisions of this act, including the payment of any redemption premium thereon and any interest accrued on or to accrue to the date of redemption of such bonds, and (b) paying all or any part of the cost of any additional project. The issuance of such bonds, the maturities and other details thereof, the right of the holders thereof, and the rights, duties and obligations of the Authority in respect of the same shall be governed by the provisions of this act in so far as the same may be applicable.

Section 11. Use of Projects. The use of the facilities of the Authority and the operation of its business shall be subject to the rules and regulations from time to time adopted by the Authority; provided, however, that the Authority shall not be authorized to do anything which will impair the security of the holders of the obligations of the Authority or violate any agreements with them or for their benefit.

Section 12. Limitation of Powers. The City of Providence does hereby pledge to and agree with any person, firm, or corporation, or federal agency subscribing to or acquiring the bonds to be issued by the Authority for the construction, extension, improvement, equipping, furnishing or enlargement of any project or part thereof, that the City of Providence will not limit or alter the rights hereby vested in the Authority in any manner which will be inconsistent with the provisions hereof, until all bonds at any time issued, together with the interest thereon, are fully met and discharged. The City of Providence does further pledge to and agree with the United States and any other federal agency that in the event that any federal agency shall construct or contribute any funds for the construction, extension, improvement, equipping, furnishing or enlargement of any project or any portion thereof, the City will not alter or limit the rights and powers of the Authority in any manner which would be inconsistent with the due performance of any agreements between the Authority and such federal agency; and the Authority shall continue to have and may exercise all powers herein granted, so long as the same shall be necessary or desirable for the carrying out of the purposes of this act.

ARTICLE VIII. CONTRACTS FOR WORK.

Section I. Bids. Any work of grading, clearing, demolition or construction, of a value of more than one thousand (\$1,000) dollars undertaken by the Authority shall be done by contract awarded to the lowest responsible bidder upon competitive bids after public notice.

The said Authority shall require the successful bidder or bidders to file with the Authority good and sufficient bonds, to be approved by the Authority, conditioned upon the faithful performance of the contract and upon the payment of all claims for labor and material in connection therewith.

ARTICLE IX. MISCELLANEOUS.

Section 1. Resolution of the Authority. Any action taken by the Authority under the provisions of this act may be authorized by resolution at any regular or special meeting.

Section 2. Annual Report. In the month of January the Authority shall make an annual report to the Mayor and to the City Council of its activities for the preceding fiscal year. Each such report shall set forth a complete operating and financial statement covering its operations during the year, positions and salaries of its employees. The Finance Director of the City of Providence shall cause an annual audit of the books, records and accounts of the Authority to be made and the costs thereof shall be treated as a part of the cost of operation. Said report shall be a public record.

Section 3. Transfer to Governmental Body (Lessee). When all Bonds issued under the provisions of the act for each specific project and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, that specific project financed under the provisions of this act shall be transferred in good condition and repair to the governmental body leasing the project. When the last project undertaken under the provisions of this act shall be so transferred, thereupon the Authority shall be dissolved and all funds of the Authority not required for the payment of bonds shall be paid to the City Treasurer for the use of the City and all machinery, equipment and other property belonging to the Authority shall be vested in the City and delivered to it.

Section 4. Effect of Failure to Issue Bonds. If the Authority shall fail to issue any bonds under the provisions of this act before the expiration of five years from the effective date of this act, the Authority shall be dissolved and all funds not otherwise charged shall be paid to the City Treasurer for the use of the City and other property held by the Authority shall be delivered to the City.

Section 5. Constitutional Construction. The provisions of this act are severable, and if any of of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

Section 6. Short Title. This act shall be known and may be cited as the "Providence Renewal Authority Act."

Section 7. Effective Date. This act shall take effect upon its passage.

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AN ACT

Presented by