

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 306

Approved June 26, 1990

RESOLVED, That His Honor the Mayor be and he is hereby authorized to execute a deed of conveyance to the Urban League of Rhode Island, Inc., 246 Prairie Avenue, Providence, Rhode Island 02905, of those Lots or Parcels of Land as set out and delineated as Lots 454, 455, 456, 457, 458, 459, 799, 806, 807, 808, 809, 810, 811, 814 and 829, on City Assessor's Plat 45, situated along Prairie Avenue, containing approximately 202,140 square feet of land, more or less, for the sum of One Dollar; provided, said deed is restricted for use to promote the public welfare.

IN CITY COUNCIL

JUN 21 1990
READ AND PASSED

Richard W. Egan
PRES.

Michael R. Clement
First Deputy
CLERK



FILED

APR 13 10 30 AM '90
DEPT. OF CITY CLERK
PROVIDENCE, R. I.

**THE COMMITTEE ON
CITY PROPERTY**

**Approves Passage of
The Within Resolution**

Rae M. Manolova
Clerk **Chairman**
June 7, 1990

CITY PROPERTY

IN CITY COUNCIL

**APR 19 1990
FIRST READING**

REFERRED TO COMMITTEE ON

Rae M. Manolova CLERK

*Councilman Glavin, Councilman Dillon
and Councilwoman Jurgulis (By Request)*

THOMAS V. MOSES, ESQ.
DIRECTOR



JOSEPH R. PAOLINO, JR.
MAYOR

Department of Planning and Development

"Building Pride In Providence"

April 12, 1990

The Honorable Rose M. Mendonca
City Clerk
Office of the City Clerk
City Hall
Providence, RI 02903

Dear Mrs. Mendonca:

How, my cousin

Transmitted herewith please find an original and fifteen (15) copies of a proposed Resolution authorizing the execution of a deed of conveyance of certain parcels of land located on Assessor's Plat 45, to the Urban League of Rhode Island. Also enclosed are fifteen (15) copies of a legal opinion dated April 4, 1988 in support of said transaction.

Thank you for your attention to this matter, and for placing it on the City Council Docket for approval as soon as possible.

Sincerely,

TVM
Thomas V. Moses, Esq.
Director

TVM/dmd

C.C. Frederick W. Stolle

FILED

APR 13 10 30 AM '90

DEPT. OF CITY CLERK
PROVIDENCE, R.I.

KNOW ALL MEN BY THESE PRESENTS:

That the City of Providence, a municipal corporation created by the General Assembly of the State of Rhode Island, in the County of Providence, in said State, for and in consideration of the sum of One (\$1.00) dollar to it paid by the Urban League of Rhode Island, Inc., a non-profit corporation organized and existing under the laws of the State of Rhode Island, with its principal place of business being the City and County of Providence, State of Rhode Island, the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell and convey unto said Urban League of Rhode Island, Inc., its successors and assigns, forever in fee simple, subject to certain restrictions set forth herein, the parcels bounded and described as follows:

PARCEL I

That certain tract or parcel of land with all buildings and improvements thereon situated on the easterly side of Prairie Avenue and the southerly side of Blackstone Street in the City of Providence, County of Providence, State of Rhode Island bounded and described as follows:

Beginning at the point of intersection of the easterly line of Prairie Avenue and the southerly line of Blackstone Street, said point being the northwesterly corner of the herein described parcel;

thence running S-85°-50'-20" E bounded northeasterly by said Blackstone Street a distance of two hundred seventy and 00/100 (270.00) feet to a corner and land now or lately owned by the City of Providence;

thence turning an interior angle of 90°-00'-00" and running S-04°-09'-40" W bounded southeasterly by said City land a distance of one hundred twenty-seven and 30/100 (127.30) feet to an angle;

thence turning an interior angle of 184°-29'-30" and running S-00°-19'-50" E bounded northeasterly by said City land a distance of two hundred seventy-nine and 672/1000 (279.672) feet to a corner and land now or lately owned by George N. and Lillian G. Berlinsky;

thence turning an interior angle of $90^{\circ}-00'-00''$ and running $S-89^{\circ}-40'-10''$ W bounded southeasterly by said Berlinsky land a distance of two hundred seventy-eight and $146/1000$ (278.146) feet to a corner and the aforesaid easterly line of Prairie Avenue;

thence turning an interior angle of $107^{\circ}-18'-00''$ and running $N-17^{\circ}-37'-50''$ W bounded southwesterly by said Prairie Avenue a distance of one hundred six and $51/100$ (106.51) feet to an angle;

thence turning an interior angle of $153^{\circ}-52'-30''$ and running $N-08^{\circ}-29'-40''$ E bounded northwesterly by said Prairie Avenue a distance of three hundred twenty-nine and $94/100$ (329.94) feet to the point of beginning where it forms an interior angle of $94^{\circ}-20'-00''$ with the first above described course.

The herein described parcel contains approximately 120,653 square feet of land.

PARCEL II

That certain tract or parcel of land with all buildings and improvements thereon situated on the northerly side of Chester Avenue and the easterly line of Prairie Avenue; said point being the southwesterly corner of the herein described parcel;

thence running $N-17^{\circ}-37'-50''$ - W bounded southwesterly by said Prairie Avenue a distance of three hundred forty-three and $39/100$ (343.39) feet to a corner and land now or lately owned by the First Federal Savings and Loan Association of Providence;

thence turning an interior angle of $72^{\circ}-42'-00''$ and running $N-89^{\circ}-40'-10''$ -E bounded northwesterly by said First Federal Savings and Loan Association of Providence land a distance of two hundred seventy-eight and $146/1000$ (278.146) feet to a corner and land now or lately owned by the City of Providence;

thence turning an interior angle of $90^{\circ}-00'-00''$ and running $S-00^{\circ}-19'-50''$ -E bounded northeasterly by said City land a distance of one hundred eighty-six and $538/1000$ (186.538) feet to a corner;

thence turning an interior angle of $283^{\circ}-37'-00''$ and running $N-76^{\circ}-03'-10''$ -E bounded northwesterly by said City land a distance of one hundred ten and $85/100$ (110.85) feet to a corner;

thence turning an interior angle of $93^{\circ}-40'-40''$ and running $S-17^{\circ}-37'-30''$ -E bounded northeasterly by said City land a distance of eighty-eight and $289/1000$ (88.289) feet to a corner and the aforesaid northerly line of Chester Avenue;

thence turning an interior angel of $87^{\circ}-42'-50''$ and running $S-74^{\circ}-39'-40''$ -W bounded southeasterly by said Chester Avenue a distance of three hundred twenty and $96/100$ (320.96) feet to the point of beginning where it forms an interior angle of $92^{\circ}-17'-30''$ with the first above described course.

The herein described parcel contain approximately 81,487 square feet of land.

TO HAVE AND TO HOLD the same, with all the rights, privileges and appurtenances thereunto appertaining, unto and to the use of the Urban League of Rhode Island, Inc., its successors and assigns forever in fee simple, subject to the following restrictions and conditions:

1. That the Urban League of Rhode Island, Inc., remain a non-profit corporation organized for the purpose of promoting the public good.

2. That the Urban League of Rhode Island, Inc., remain the primary user of said parcels, and the improvements thereon, and continue to use said parcels for the purpose of promoting the public good.

3. That the Urban League of Rhode Island, Inc., may not use said parcels, and the improvements thereon, for any purpose other than for the purpose of promoting the public good.

4. That any lease for any portion of the parcels, and the improvements thereon, be entered into by the Urban League of Rhode Island, Inc., and a non-profit corporation(s) and/or non-profit association(s) which has (have) been organized for the purpose of promoting the public good.

In the event that any or all of these conditions are not met, the parcels, and the improvements thereon, shall revert to the CITY OF PROVIDENCE forthwith, and the Grantee, by its acceptance hereof, agrees that the City of Providence may enter upon the parcels, and improvements thereon, for a condition broken, and take possession of the same, and said Urban League of Rhode Island, Inc., its successors and assigns will execute such conveyances and other documents as may be required by the Grantor; PROVIDED, that such conditions and the reverter of title for a condition broken shall be subject to and limited by, and shall not defeat, render invalid or limit in any way a lien of mortgage to secure financing made available to the Urban League of Rhode Island, Inc. for monies for the construction of new facilities on said parcels or for improvements and/or rehabilitation of any improvement(s) which is(are) situated on said parcels.

This Deed is authorized by the City Council Resolution No. , approved , 1989.

IN WITNESS WHEREOF, the said CITY OF PROVIDENCE, has caused these presents to be signed and its corporate seal to be hereto affixed by JOSEPH R. PAOLINO, JR., its Mayor, thereunto duly authorized this day of A.D., 1989.

CITY OF PROVIDENCE

BY: _____
JOSEPH R. PAOLINO, JR.,
MAYOR

SIGNED AND SEALED IN THE
PRESENCE OF:

STATE OF RHODE ISLAND
PROVIDENCE, SC.

In Providence, in said County, on the day of , 19 , before me personally appeared the above named JOSEPH R. PAOLINO, JR., Mayor of the City of Providence, to me known and known by me to be the person executing the foregoing instrument, and he acknowledged said instrument, by him executed to be his free act and deed in his said capacity and the free act and deed of the City of Providence.

(NOTARY PUBLIC)

CORRECT IN FORM AND SATISFACTORY TO ME

CITY SOLICITOR

...UNE

PRAIRIE

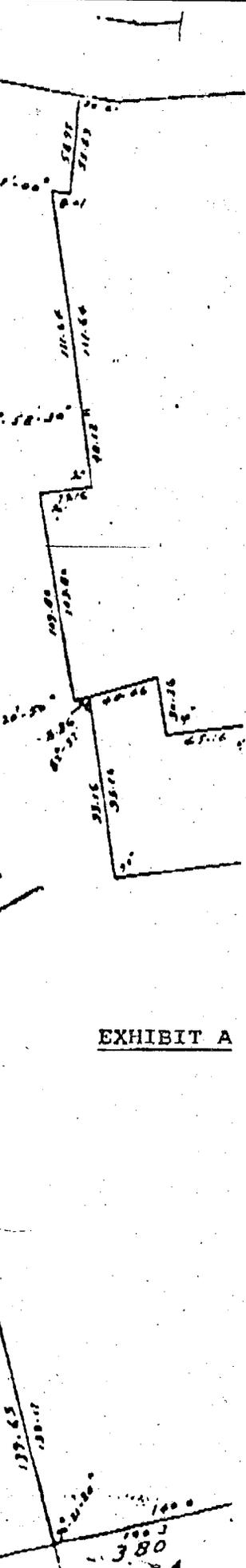
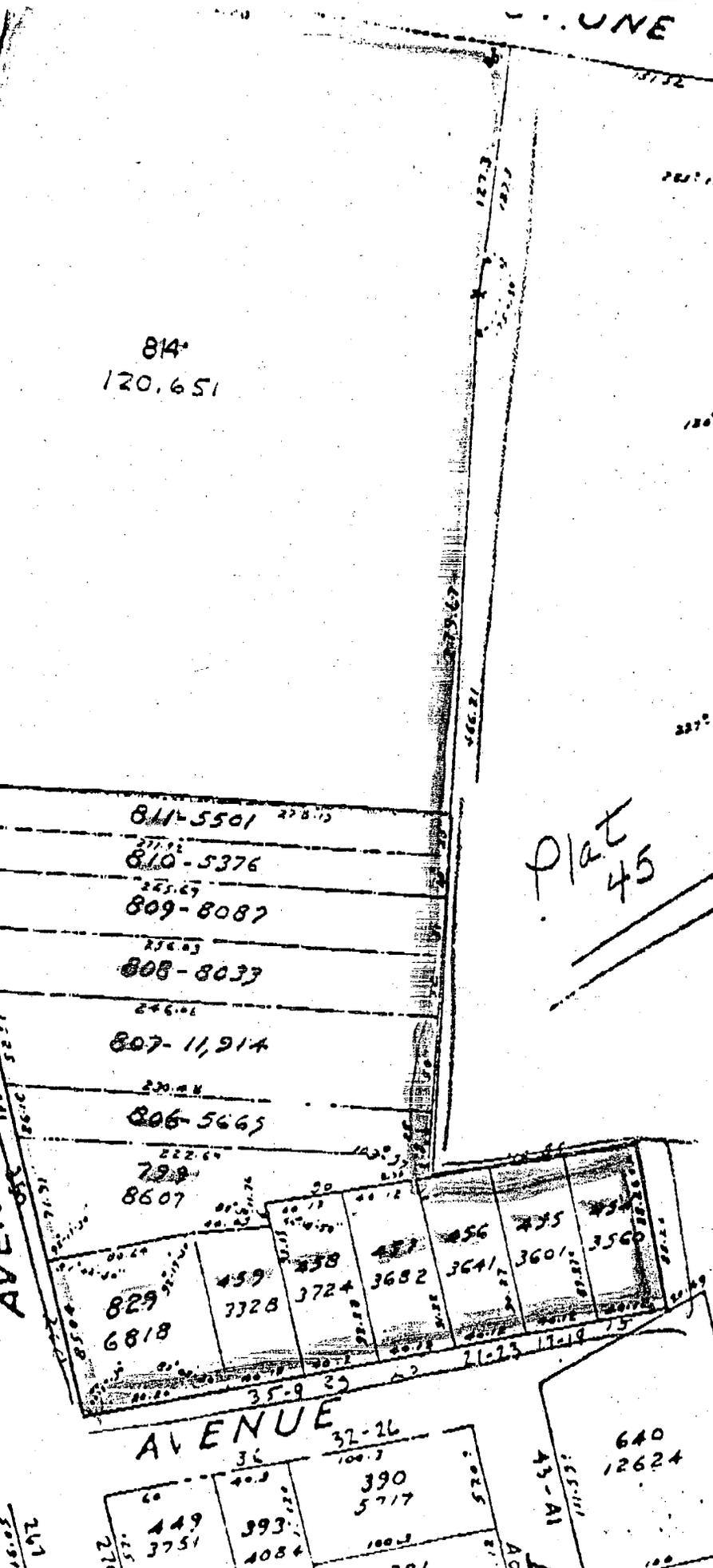
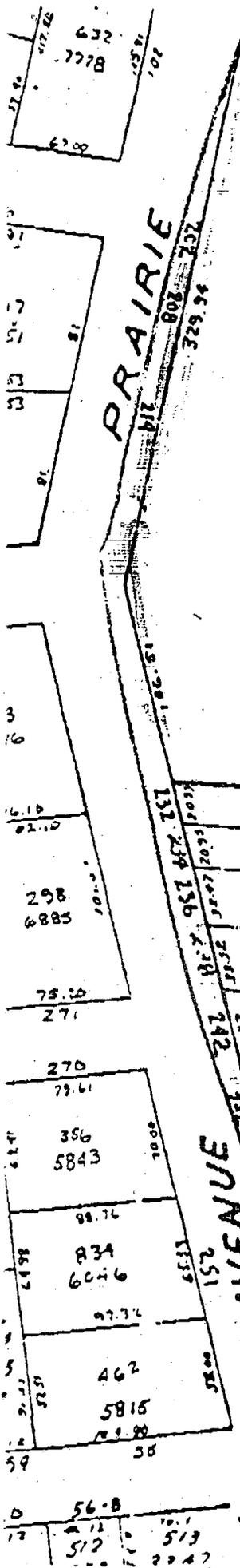
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Plat
45

EXHIBIT A

AVENUE

AVENUE



DEPARTMENT OF PLANNING
AND DEVELOPMENT

FEB 13 1990

Department of Law
"Building Pride In Providence"**RECEIVED**

TO: Property Committee

FROM: Frederick W. Stolle, Assistant City Solicitor

DATE: April 4, 1988

OPINION

The City of Providence may transfer its ownership in Lots 454, 455, 456, 457, 458, 459, 799, 806, 807, 808, 809, 810, 811, 814 and 829 of Plat 45 to the Urban League for a nominal sum.

BACKGROUND

In 1972, the City of Providence made application for a Neighborhood Facilities Grant from the U.S. Department of Housing and Urban Development. The purpose of the "Neighborhood Facility" was to create a physical location which would be used to house organizations which would promote health, recreation and social programs for the citizens of South Providence at 246 Prairie Avenue.

Said application was accepted by HUD; and, an agreement, HUD No. NFP-RI-01-06-1, 000, was made between HUD, the City and the Urban League of Rhode Island. The City was to use the grant for acquisition and renovation costs of the buildings situated at 246 Prairie Avenue. The Urban League's role as envisioned in the application or in the agreement was to supervise the use of the facility (i.e., ensure that the programs conducted from this physical location conformed with the intent of the application) and to manage the physical plant (i.e. collect rents,

maintain, etc.). This three-party agreement between HUD, the City and the Urban League envisioned that the neighborhood facility would be subject to the continuing control of the City for twenty (20) years with technical assistance to be made available to the Urban League from the Providence Model Cities Agency; and, the Urban League would keep the facility in good repair and supervise/operate the programs at the facility.

The City and the Urban League separately executed a "Lease" for the facility wherein the City rented the facility to the League for a nominal annual rental for a twenty (20) year period ending April 14, 1996 with the provision that the Urban League would acquire the property free and clear of the City at the end of the term.

Shortly after the operations began at the facility, the roof began to leak. Evidently, the renovation work was not properly performed. There were cross accusations between parties and suits were instituted. These roof problems, evidently, were never properly rectified. And, the City responded to petitions from the Urban League for monies for roof repair. Over time the roof has become worse, the rent has been insufficient to carry out a maintenance program, the tenants are dissatisfied, and the Model Cities Agency, and the funding therefore, has been eliminated due to federal budget cuts, and the Urban League continues to request monetary assistance for the City.

Recently, the Urban League has once again requested money for physical plant repairs from the City. While the lease clearly contemplates such expenditures to be made by the Urban League, it has been unable to meet its financial obligation. And, the City has recently spent additional sums to assist the League.

During this recent appeal for monies for building repairs, the idea of transferring the ownership of the property from the City to the League was broached. It was felt that if the League owned the facility it could raise the necessary funds to properly renovate the facility; and, thus, free the City from any continuing obligation or responsibility to the Urban League or the facility.

LEGAL ISSUES

At first blush, it appears that Sec. 416 of the Home Rule Charter controls the transfer of any property by the City. This section requires an elaborate bidding procedure and sale to the highest bidder.

However, in the case of Dulgarian v. City of Providence, 507 A.2d 448 (RI 1986), the court determined that, where a contract for the sale of city property was executed prior to the enactment of the Home Rule Charter, such contract was lawful without need to resort to Section 416.

In the instant case, the agreements were executed during the period 1972 through 1976, some years prior to the enactment of the Home Rule Charter.

Insofar as the lease presents a legally enforceable contract, under Dulgarian, the City must meet its obligation thereunder. As contemplated by the lease, and supported by the grant application to HUD and the

agreement between HUD, the City and the Urban League, it is clear that at the end of the lease, the City was to transfer the property to the Urban League. And, upon review of the documents and investigation of facts surrounding the execution of the documents, it is also clear that it was the parties' intent to transfer the property for a nominal sum.

Therefore, the only remaining legal issue is whether or not the acceleration of the transfer from April 14, 1996 to an earlier date violates the agreement with HUD or so materially alters the contract as to nullify the analysis under Dulgarian, supra.

As to our contractual obligation under the agreement with HUD, the City has been advised that Sections 126(b)(2) and 126(b)(3) of the Housing and Urban-Rural Recovery Act of 1983 have been abolished. Therefore, it is not necessary for the City to seek HUD concurrence for any action which the City deems appropriate with respect to changing the ownership of a neighborhood facility.

In terms of materiality, it would appear that the mere acceleration of the transfer date does not affect the contract to the extent required to question the legality of same in light of Sec. 416. In contrast, the use of the facility would be a material change, and not a modification, which can be preserved by deed restrictions.

In closing, the contract/lease between the City and the Urban League pre-dates the Home Rule Charter and is enforceable without reference to Section 416 of same. The mere acceleration of the transfer date of the ownership of the property does not materially affect the contract - provided the deed restricts the use of the facilities to social programs.



Department of Law

"Building Pride In Providence"

TO: Property Committee
FROM: Frederick W. Stolle, Assistant City Solicitor
DATE: JUNE 17, 1990

OPINION

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Department of Law
60 Eddy Street
Providence, Rhode Island 02903

City Providence

Councilman Andrew Annaldo
c/o Office of the City Clerk
City Hall
Providence, Rhode Island 02903



FILED
FEB 23 1 57 PM '88
DEPT. OF CITY CLERK
PROVIDENCE, R.I.

COUNCILWOMAN
BALBINA A. YOUNG
489 PUBLIC STREET
PROVIDENCE, RI 02907
Bus. 941-1830



COMMITTEES

Ordinances
Vice-Chairwoman

Urban Redevelopment
Renewal and Planning

City of Providence, Rhode Island

June 5, 1990

Councilman Andrew J. Annaldo
Chairman
Committee on City Property
City's Clerk's Office
City Hall
Providence, RI 02903

Dear Chairman Annaldo:

On behalf of the South Side Land Community Land Trust, I would like to respectfully ask the Committee to transfer Plat 23 Lot 398 to PRA's special vacant lot program.

Any consideration that could be given this matter would be greatly appreciated.

With best regards, I remain

Sincerely,

Balbina A. Young
Balbina A. Young
Councilwoman
Ward 11

BAY:ps
CC

Ms. Deborah Schimbert
Director, So. Side Comm. Land Trust

EDWARD C. CLIFTON, ESQ.
CITY SOLICITOR



JOSEPH R. PAOLINO, JR.
MAYOR

Department of Law
"Building Pride In Providence"

February 23, 1988

Councilman Andrew Annaldo
c/o Office of the City Clerk
City Hall
Providence, Rhode Island 02903

RE: Urban League Lease

Dear Councilman Annaldo:

In 1976 HUD provided the City of Providence with certain grant monies for the acquisition and rehabilitation of certain property designated as 232, 236, 242, 246 and 250 Prairie Avenue for use as a neighborhood community center. This particular facility is managed by the Urban League which entered into a twenty (20) year lease for a nominal sum with the understanding that the League would manage the property; and, at the end of the lease, the City is to transfer ownership of the property to the League.

During the lease, it is the City's obligation to provide funds with which to make necessary repairs. Insofar as the once available federal funds are no longer available, the City has fallen behind on its obligations. Therefore, there has been an initial conversation as to whether the City would be willing to transfer the property before the end of the lease. Essentially, the League would like to have ownership now so that it can be responsible for the repairs to the building. At this point, the Administration is receptive to the idea.

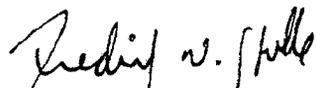
I am writing to advise you of these discussions. The legal issues such as early transfer are complex in light of HUD's involvement. However, I believe that these issues, as well as others, will be resolved.

Councilman Andrew Annaldo
February 23, 1988

Page Two

Upon such resolution, I will contact you to arrange for a presentation before the Property Committee. I trust that this letter is in conformance with your request to be kept apprised of all discussions of City property.

Very truly yours,


FREDERICK W. STOLLE
Assistant City Solicitor

FWS/vav

THE COMMITTEE ON
CITY PROPERTY

Recommends

Be Continued

Rose M. Mendoza

Clerk

April 20, 1955



F.S. 2/24/88 Law Dept

U.S. Department of Housing and Urban Development

Boston Regional Office, Region I
Boston Federal Building, 3rd Floor
10 Causeway Street
Boston, MA 02222-1092

FEB 22 1988

Mr. Thomas V. Moses
Director
Department of Planning and Development
44 Washington Street
Providence, RI 02903

Dear Mr. Moses:

SUBJECT: Hud's Role with Respect to the Neighborhood Facilities Program

This letter provides the confirmation you requested on February 19, 1988 regarding the role of the Federal Government with respect to buildings assisted under the Neighborhood Facilities Program.

Sections 126 (b) (2) and 126 (b) (3) of the Housing and Urban-Rural Recovery Act of 1983 removed all Federal restrictions on the use of such neighborhood facilities. Accordingly, it is not necessary for Providence to seek HUD concurrence prior to taking any action the City deems appropriate with respect to changing the ownership of a neighborhood facility.

Very sincerely yours,

Susan Kang
Richard F. Moffitt

for Program Manager
Office of Community Planning
and Development

AGREEMENT

PART I

This AGREEMENT, consisting of this Part I; Part II, Operation of Completed Facility; Neighborhood Facilities Grant Application - Part I, January 31, 1972; Neighborhood Facilities Grant Application Part II, March 16, 1973, entered into as of April 15, 1976 by and between the Owner, the CITY OF PROVIDENCE (herein called the "Local Public Body"), and the Lessee, THE URBAN LEAGUE OF RHODE ISLAND, INC., a non-profit corporation organized and existing under and pursuant to laws of Rhode Island (herein called the "Organization"), WITNESSETH THAT:

WHEREAS, the Local Public Body has entered into a Neighborhood Facilities Grant Contract (herein called the "Grant Contract") with the United States of America acting by and through the Secretary of Housing and Urban Development (herein called the "Secretary") providing for Federal financial assistance under Title VII of the Housing and Urban Development Act of 1965 for a project (herein called the "Project") having as its purpose the provision of a neighborhood facility; and

WHEREAS, in the Grant Contract, the following understandings have been, or will be, stated:

- (i) That the Project will be carried out by the Local Public Body and the completed neighborhood facility located at 202, 208, and 214 Prairie Avenue, Providence, Rhode Island will be leased by the Organization from the Owner, the Local Public Body, and
- (ii) The Organization as Lessee in consideration of the said demise covenants and agrees with the Lessor, the Local Public Body as follows:
 - (a) To pay as rent for the said demise premises the sum of One (\$1.00) Dollar payable in advance prior to the signing of this Agreement.
 - (b) The Lessor, the Local Public Body, does hereby acknowledge receipt of the first year's rent payable in advance in the sum of One (\$1.00) Dollar.
 - (c) It being mutually understood that the Organization shall pay said rent of One (\$1.00) Dollar per year to the person designated by the Local Public Body at the place to be designated by said person.

- (d) Unless sooner terminated, it is mutually agreed that this Agreement is automatically renewed each year for a twenty year period at a yearly rental of One (\$1.00) Dollar per year payable in advance of the yearly anniversary date of the signing of this Agreement, and that any termination including the non-renewal of this Agreement is subject to the provisions of Section 202 of this Agreement.
- (e) Said yearly rental of One (\$1.00) Dollar per year is fixed not subject to change and not subject to renegotiation during the twenty year period of this Agreement; and
- (iii) Unless sooner terminated, the completed neighborhood facility will be operated by the Organization according to the covenants of this Agreement and during the period this Agreement is in force; and
- (iv) That the use of the completed neighborhood facility will be subject to the continuing control of the Local Public Body for a period of twenty years after the signing of this Agreement; and
- (v) That the completed neighborhood facility shall not be used for sectarian or for religious worship so long as the project has substantial value; and

WHEREAS, the Local Public Body and the Organization desire to set forth herein their mutual rights and obligations in regard to the operation of the neighborhood facility:

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the Local Public Body and the Organization do agree as follows:

SEC. 1. TERM OF AGREEMENT - Unless sooner terminated, this Agreement shall be effective from the date hereinabove first written until April 14, 1996 upon which latter date this Agreement shall terminate and the parties shall be fully released from any further obligations thereunder and at that time the organization will exercise its option to acquire the subject property free and clear from the Local Public Body.

SEC. 2 THE PROJECT - The Project shall consist of activities and undertakings necessary to provide a neighborhood facility (hereinafter referred to as the "Neighborhood Facility") as described in the Neighborhood Facilities Grant Application - Part I dated January 31, 1972 and the Neighborhood Facilities Grant Application - Part II dated March 16, 1973, and further identified as follows: PROVIDENCE MODEL CITIES NEIGHBORHOOD FACILITY, which application is duly filed at the following location: Boston Area Office, Department of Housing and Urban Development and in any amendments or addenda to that application which are approved by the Local Public Body, the Organization, and the Secretary and duly filed with the said application.

SEC. 3 DESCRIPTION OF SITE - The legal description of the project site is located in the Neighborhood Facilities Grant Application - Part II, March 16, 1973, NF131, Part II which is part of this agreement.

SEC. 4 ASSISTANCE BY LOCAL PUBLIC BODY - The Local Public Body shall provide the following assistance to the Organization:

- A. The Local Public Body shall be responsible for the Project Development phase of the "Neighborhood Facility."
- B. The Local Public Body will provide technical assistance to the organization, as needed, to assist in the transition of operation of the "Neighborhood Facility" to the organization from the Local Public Body.

SEC. 5 INSURANCE - The Organization shall be responsible for maintaining Fire and Extended Coverage Insurance on a 100% completed value basis on the insurable portion of the project; and any other insurance coverage including but not limited to Public Liability and Property Damage that may be necessary to protect the organization and Local Public Body. The Local Public Body shall be named as a co-insured party on all insurance policies and the Organization shall furnish the Local Public Body with certificates showing the type, amount, class operations covered, effective dates and dates of expiration of coverage.

PART II

OPERATION OF COMPLETED FACILITY

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PART II

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ARTICLE I - OPERATION OF THE NEIGHBORHOOD FACILITY

The provisions of this Article, except where otherwise stated are applicable until twenty years after the signing of this Agreement.

SEC. 101 USE AND CONTROL

a. General -- The Neighborhood Facility will be used to carry out a program of health, recreational, social, or similar community services in accordance with this Agreement and the application, including amendments or addenda thereto, referred to in Section 2 of Part I hereof. No change in the use of the Neighborhood Facility to a use other than that contemplated under this Agreement or said application will be made by the Organization, without the prior consent of the Local Public Body. Such consent, if given, will be based upon findings by the Local Public Body that the proposed conversion is in accordance with the current program of health, recreational, social, or similar community services in the area and is consistent with comprehensive planning for the development of the community. The Organization will not enter into any lease or agreement transferring to any other entity the control or supervision of the Neighborhood Facility without the prior concurrence of the Local Public Body.

b. Fees and Charges -- The organization may charge fees to the occupants of the "Neighborhood Facility" to cover the normal operational and maintenance costs associated with the building and grounds. All funds so collected must be expended for costs directly related to the facility and cannot be utilized by the organization for any other purpose. The Local Public Body reserves the right to inspect and audit the books of the organization to insure compliance with this section.

c. Nondiscrimination -- The Organization will carry out the Project and operate the Neighborhood Facility in compliance with all requirements imposed by or pursuant to regulations of the Secretary effectuating Title VI of the Civil Rights Act of 1964 (78 Stat. 241, 252). The Organization will not, on the basis of race, creed, color or national origin, deny to any person the use, benefits or services provided by the Neighborhood Facility, nor provide any use, services or benefits to a person which are different or are provided in a different manner from those provided to others under the same program or activity. The Organization will not adopt rules, regulations or practices for the operation of the Neighborhood Facility which are discriminatory in nature. The Organization further agrees that it will not enter into any lease or other agreement respecting the Neighborhood Facility without incorporating into such lease or agreement provisions which will insure that the use and occupancy, and the provision of neighborhood services and other benefits, will be available without regard to race, creed, color, or national origin. The provisions of this subsection have no termination date and shall be effective so long as the premises are used as a Neighborhood Facility.

d. Encumbrances, Taxes, and Assessments -- The Organization will not voluntarily create, cause, or allow to be created any debt, lien, mortgage, charge, or encumbrance against the Neighborhood Facility which in any way will impair or otherwise adversely affect the preservation of said Facility for the use or uses set out in this Section. The Organization will from time to time duly pay and discharge, or cause to be paid and discharged when the same become due, all taxes, assessments, and other governmental charges which are lawfully imposed upon the Neighborhood Facility and which if unpaid may by law become a lien or charge upon said Facility and thereby impair or otherwise adversely affect the holding of said Facility for the use or uses set out in this Section.

e. Maintenance and Operation -- The Organization will at all times keep the Neighborhood Facility in good and safe condition and repair and in the occupancy, maintenance and operation thereof will comply with all laws, ordinances, codes, and regulations applicable thereto. The Organization shall not permit, commit, or suffer waste or impairment of the Neighborhood Facility, its site, or any part thereof.

"f. Religious Use -- The Neighborhood Facility shall not be used for sectarian instruction or for religious worship. The provisions of this subsection have no termination date and shall be effective so long as the Neighborhood Facility has substantial value."

SEC. 102 SUBMISSION OF DOCUMENTS

The Organization will submit to the Local Public Body such data, reports and copies of records and documents relating to the carrying out of the Project and the operation of the Neighborhood Facility as the Local Public Body may require. Such data, reports, and copies of records and documents shall upon submission become the property of the Local Public Body.

SEC. 103 SAFEGUARDS AGAINST RISK

During the term of this Agreement, the Organization shall take adequate measures, in accordance with requirements of the Local Public Body, to safeguard against the following risks:

- (1) Damage to or destruction of the Neighborhood Facility
- (2) Theft or loss of funds or equipment provided or necessary for the carrying out of the Project and the operation of the Neighborhood Facility.
- (3) Liability for injuries or death to employees of the Organization, contractors and subcontractors and to any other persons;
- (4) Damage due to failure of contractors or subcontractors to complete their performance or to pay laborers and materialmen.

SEC. 104 DESTRUCTION OR DAMAGE, EMINENT DOMAIN

If the Neighborhood Facility is destroyed or damaged by fire or other casualty so as to render it unusable, or if the Facility is taken by the exercise of eminent domain, the Local Public Body may elect to require repayment of financial assistance extended pursuant to this Agreement, in whole or in part as may be appropriate.

ARTICLE II - REMEDIES

SEC. 201 DEFAULT

a. Definition of Default -- If the Organization violates the provisions of this Agreement for any reason, other than the occurrence of circumstances over which it can exercise no effective control, and such violation shall not be cured or remedied within thirty days after written notice thereof by the Local Public Body, the said violation will constitute a default under this Agreement.

b. Rights and Remedies -- Upon the occurrence of a default, then so long as such default continues, the Local Public Body will, to the full extent permitted by law, have each of the following rights and remedies:

- (1) The right to a writ of mandamus or an injunction or other similar relief against the Organization, the members of its governing body, its officers, agents or representatives;
- (2) The right to maintain any and all actions at law or suits in equity or other proper proceedings to enforce the curing or remedying of such default;
- (3) The right to have a receiver appointed by a court of competent jurisdiction to take possession of the Organization's interest in any real or personal property constituting part of the Project or the Neighborhood Facility, with power in such receiver, on behalf of the Organization so long as shall be necessary in order to cure or remedy such default, or as the court may deem necessary or proper to prevent the recurrence of such default:
 - (a) To administer, carry on, manage, operate, maintain, complete and otherwise deal with the Organization's interest in the Project and the Neighborhood Facility in accordance with applicable law and this Agreement;
 - (b) To collect, receive, safeguard, expend and otherwise deal with, handle or apply, in accordance with applicable law and this Agreement, all funds available and becoming available to the Organization for or in connection with the operation and maintenance of the Project and the Neighborhood Facility; and
 - (c) To do and perform any and all such other acts and things as the court may deem necessary or proper; and

c. Subsequent Defaults -- The Local Public Body shall have the same rights and remedies provided for in the preceding subsection upon the occurrence of each default.

SEC. 202 TERMINATION

a. Right of Local Public Body to Terminate Agreement -- In the event the Organization violates the provisions of this Agreement for any reason, other than the occurrence of circumstances over which it can exercise no effective control, and such violation shall not be cured or remedied within sixty days after written notice thereof by the Local Public Body, in addition to any other remedy provided for in this Agreement, the Local Public Body shall have the right to terminate this Agreement by written notice duly served upon the Organization.

b. Rights on Termination -- Upon termination of this Agreement pursuant to the preceding subsection, the Local Public Body shall have the right:

- (1) To terminate all financial and other assistance herein provided for to the Project and the Neighborhood Facility;
- (2) To obtain a refund from the Organization of the full amount of financial assistance extended pursuant to this agreement;
- (3) In the event any real property formerly owned by the Local Public Body is being used by the Organization for the Project and the Neighborhood Facility, to reenter and reposses such real property, together with any buildings, appurtenances, improvements and fixtures affixed thereto, without process of law. In such event, the Organization agrees to surrender and deliver such real property, buildings, appurtenances, improvements and fixtures peaceably to the Local Public Body immediately. It is understood and agreed that upon such reentry and repossession, the Organization and the Local Public Body shall take immediate action to arrange for reconveyance of the property so repossessed to the Local Public Body or for conveyance of the said property to a third party.
- (4) To institute any actions at law, suits in equity, or other proceedings as may be appropriate to enforce any of its rights under this subsection and as may be otherwise appropriate; and

- (5) To execute and record on file among the public land records of the jurisdiction in which this Agreement is executed, a written declaration of the termination of this Agreement, of the reentry and repossession of any real property involved by the Local Public Body, and of the impending reconveyance or conveyance of such real property on account of such termination.

c. Right of Organization to Terminate Agreement -- The Organization has the right to terminate this agreement through written notification sixty (60) days prior to said termination. The Organization shall be liable for all outstanding indebtedness incurred prior to the Local Public Body assuming completed responsibility for the operation of the "Neighborhood Facility" under this subsection.

IN WITNESS WHEREOF, the Organization and the Local Public Body have caused this Agreement to be duly executed the day and year first above written.

ATTEST:

THE URBAN LEAGUE OF RHODE ISLAND

By _____

Title

THE CITY OF PROVIDENCE, RHODE ISLAND

By _____

Mayor of Providence

Title

(SEAL)

STATE OF RHODE ISLAND
PROVIDENCE, SC.

AFFIDAVIT OF RONALD TORBIK

I, ROLAND TORBIK, first being duly sworn, upon oath do hereby state the following:

1. That during the time period approximating 1974 through 1977, I was on the staff of the Model Cities Agency, City of Providence, Rhode Island.

2. That during my tenure, I assisted Richard Torchia in making an application for a Neighborhood Facilities Grant from HUD for the acquisition and renovation of a neighborhood center to be located at 232, 236, 242, 246 and 250 Prairie Avenue.

3. That I assisted in negotiating the terms of the grant with HUD, as well as the terms of the related lease with the Urban League.

4. That said lease, as envisioned by HUD, the City, and the Urban League, called for a nominal stipulated rental with management of the building to be borne by the League.

5. That it was further envisioned and made an understanding of the parties, HUD, the City and the Urban League, that the City would transfer the ownership of the facility to the Urban League for a nominal sum at the end of the lease; and, that said understanding was a material condition of the parties' agreement.

6. That this Affidavit is made upon personal knowledge of the facts contained herein.

Ronald F. Torbik
RONALD TORBIK

STATE OF RHODE ISLAND
PROVIDENCE, SC.

Subscribed and sworn to before me this 26 day of February 1988.

Dennis C. Psilopoulos
NOTARY PUBLIC
commission expires 4/30/91

STATE OF RHODE ISLAND
PROVIDENCE, SC.

AFFIDAVIT OF RICHARD TORCHIA

I, RICHARD TORCHIA, first being duly sworn, upon oath do hereby state the following:

1. That during the time period approximating 1974 through 1977, I was the Director of the Model Cities Agency, City of Providence, Rhode Island.

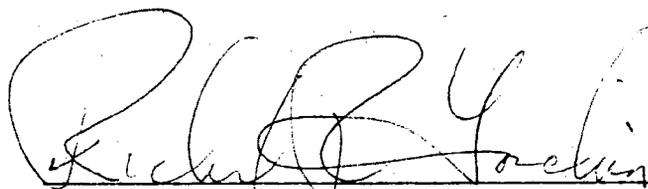
2. That during my tenure, I made application for a Neighborhood Facilities Grant from HUD for the acquisition and renovation of a neighborhood center to be located at 232, 236, 242, 246 and 250 Prairie Avenue.

3. That I negotiated the terms of the grant with HUD, as well as the terms of the related lease with the Urban League.

4. That said lease, as envisioned by HUD, the City, and the Urban League, called for a nominal stipulated rental with management of the building to be borne by the League.

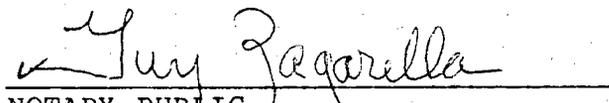
5. That it was further envisioned and made an understanding of the parties, HUD, the City and the Urban League, that the City would transfer the ownership of the facility to the Urban League for a nominal sum at the end of the lease; and, that said understanding was a material condition of the parties' agreement.

6. That this Affidavit is made upon personal knowledge of the facts contained herein.


RICHARD TORCHIA

STATE OF RHODE ISLAND
PROVIDENCE, SC.

Subscribed and sworn to before me this 8th day of MARCH
1988.


NOTARY PUBLIC



Rose M. Mendonca

City Clerk

Clerk of Council

Clerk of Committees

Michael R. Clement
First Deputy

Jean M. Angelone
Second Deputy

DEPARTMENT OF CITY CLERK
CITY HALL

July 11, 1990

Urban League of Rhode Island, Inc.
246 Prairie Avenue
Providence, R. I. 02905

Dear Sir:

Enclosed is a certified copy of Resolution No.306,
approved June 26, 1990, the same being self-explanatory.

Will you kindly communicate with the City Solicitor's
Office to execute lease.

Very truly yours,

Rose M. Mendonca
City Clerk

RMM/bp

Enc.