

# RESOLUTION OF THE CITY COUNCIL

No. 116

*Approved* March 28, 1996

WHEREAS, the Providence Public Buildings Authority (the "Authority") was constituted as a body corporate and politic of the City of Providence pursuant to the provisions of Chapter 50 of Title 45 of the General Laws of Rhode Island (the "Act") and a resolution duly passed by this City Council on August 13, 1987; and

WHEREAS, the Authority's creation was approved by the Public Finance Management Board on February 12, 1988; and

WHEREAS, the Authority may now duly transact its business of acquiring and constructing public facilities and acquiring public equipment; maintaining, renovating, repairing and operating the same; and issuing its revenue bonds and/or notes to finance the public facilities and public equipment; and

WHEREAS, the Authority may develop its projects only upon request of the Mayor and the City Council; and

WHEREAS, such request must take the form of a proposal by the Mayor approved by the City Council; and

WHEREAS, the City Council by resolution dated November 12, 1992 approved the financing of the Community Facilities Project, as proposed by letter of the Mayor dated October 9, 1992;

WHEREAS, the Mayor has submitted the proposal attached hereto as Exhibit "A" for the City Council's approval; and

WHEREAS, the City Council intends to incorporate the project described in the Mayor's proposal as a part of the City's "Project Plan" for purposes of the Tax Increment Financing Act, Chapter 33.2 of Title 45 of the General Laws; and

WHEREAS, the City Council desires that the Authority provide interim financing for the project described in the Mayor's proposal until such time as a tax increment financing can be completed;

IN CITY COUNCIL  
JAN 18 1996  
FIRST HEADING  
REFERRED TO COMMITTEE ON  
FINANCE *and* URBAN REDEVELOPMENT  
RENEWAL & PLANNING  
CLERK

THE COMMITTEE ON  
FINANCE *and* URBAN REDEVELOPMENT  
RENEWAL & PLANNING  
Approves Passage of  
The Within Resolution  
*Clarence B. Smith*  
MAY 11 1996

*Councilwoman Hargnoli (By Request)*

NOW, THEREFORE, Be it resolved,

1. That the City Council hereby approves the Proposal of the Mayor dated October 9, 1992, as amended by letter of the Mayor dated March 15, 1995, (the "Proposal") which, among other things, requests the Authority to use its best efforts to develop the Community Facilities Project which shall include the acquisition, demolition, construction, renovation, rehabilitation, improvement and necessary furnishing and equipping of the following facilities:

PROJECT NAME	ESTIMATED CAPITAL COSTS SOURCE PPBA	CITY OF PROV. CDBG FUNDS	SHORT TERM FINANCING COSTS AND COSTS OF ISSUANCE OF TIF BONDS	ESTIMATED ANNUAL PRINCIPAL AND INTEREST BEGINNING FY 1997 PAYABLE FROM TAX INCREMENT REVENUES
Silver Lake Recreation	\$ 1,023,334	\$ 209,000	\$ 267,510	\$ 114,743
Headstart Center	\$ 1,400,000		\$ 365,975	\$ 156,977
Mount Hope Recreation Center	\$ 825,333	\$ 298,000	\$ 215,751	\$ 92,542
Ryan Post	\$ 275,000		\$ 71,888	\$ 30,835
South Providence Rec. Center	\$ 1,200,000		\$ 313,693	\$ 134,552
West End Center	\$ 1,373,333		\$ 359,004	\$ 153,987
America Street School	\$ 130,000		\$ 33,983	\$ 14,576
Police Headquarters	\$ 950,000		\$ 248,340	\$ 106,520
John Street School	\$ 1,000,000		\$ 261,410	\$ 112,127
Central High School	\$ 120,000		\$ 31,369	\$ 13,455
Alternative Learning Program High School Renovations	\$ 25,000		\$ 6,535	\$ 2,803
Bell St. Park	\$ 400,000		\$ 104,564	\$ 44,851
Mt. Pleasant/Elmhurst Community Center	\$ 100,000		\$ 26,141	\$ 11,213
City Arts/Berklander Bldg.	\$ 100,000		\$ 26,141	\$ 11,213
Magnolia Street Community Policing Station	<u>\$ 50,000</u>	<u>0</u>	<u>13,071</u>	<u>\$ 5,606</u>
TOTALS	\$ 8,972,000	\$ 507,000	\$2,345,375	\$1,006,000

2. That the Authority shall process all requests for bids for work through the Board of Contract and Supply, provided, however, that the Authority shall select and approve all winning bids.

3. That the Authority shall submit an update on project costs to the Committee on Finance as the project proceeds.

4. That the President of the City Council be, and hereby is, authorized to execute the Proposal and to deliver it to the Authority.

5. That the City Council hereby authorizes the Mayor to negotiate with and lease the Project from the Authority.

6. That the City Council hereby pledges sufficient tax increment revenues to pay any lease rentals to the Authority in connection with the Project.

7. That the Mayor be, and he hereby is, authorized to take any and all actions and to execute, file and deliver any and all agreements, notes, deeds, leases and other documents as he, in his sole discretion, may deem necessary or desirable to implement the transaction contemplated by the Proposal.

8. That the City hereby declares its official intent pursuant to Treasury Regulation Section 1.150-2, if applicable, that the Authority will reimburse capital expenditures made by the City in connection with the Project, in an amount not to exceed the principal amount of the Authority's bonds and/or notes, or that the City will reimburse itself for capital expenditures made by the City in connection with the Project from the proceeds of the City's Tax Increment Financing Bonds, in an amount not to exceed eleven million dollars (\$11,000,000), provided, however, that such amounts to be reimbursed shall be reimbursed non later than 18 months after (a) the date on which the expenditure was paid or, (b) the date the project is placed in service or abandoned but no later than three (3) years after the date the expenditure is paid.

This Resolution shall take effect on passage.

IN CITY COUNCIL  
MAR 21 1996  
READ AND PASSED

*Evelyn V. Fargnoli*  
ACTING President  
*Michael R. Clement*  
Clerk

F:\DOCS\BONDS\PRPBA\BD5713KG.CCR

**APPROVED**  
MAR 28 1996  
*Vincent A. Curran*  
MAYOR

**Executive Office, City of Providence, Rhode Island**

VINCENT A. CIANCI, JR.  
MAYOR

March 15, 1996

Providence Public Buildings Authority  
400 Westminster Street  
Providence, RI 02903

Dear Board Members:

Section 45-50-10 authorizes any authority created pursuant to the Municipal Public Buildings Authority Act to acquire and construct public facilities and to acquire public equipment; to maintain, renovate, repair and operate the same; and to issue revenue bonds to finance the same.

By letter dated October 9, 1992, I proposed and requested that the Providence Public Buildings Authority (the "Authority") use its best efforts to develop the Community Facilities Project which included the demolition, construction, renovation, rehabilitation and/or improvements and necessary furnishing and equipping of community recreation centers to be located in the Silver Lake, Mount Hope, South Providence, and West End areas of the City, of a Children's Museum to be located in the City, of a Headstart Center proposed to be located at the Berkshire Street School, of the Ryan Post located on Atwells Avenue, of School One, an alternative school, proposed to be located in the downtown district and demolition of the former America Street School on America Street.

This letter amends my proposal and request. As of this date, the Children's Museum and School One have found alternative sources of financing and there have been interest earnings on bond proceeds and cost savings on completed projects. I would therefore propose and request that the previously authorized funding for the Children's Museum and School One and any underspending and available interest income be reallocated to finance, as applicable, the acquisition, demolition, construction, rehabilitation, renovation, improvement and necessary furnishing and equipping of the City's Police Headquarters, the John Street School, Central High School, the Alternative Learning Program High School, the Bell Street Park, the Mount Pleasant/Elmhurst Community Center, the City Arts

Providence Public Buildings Authority  
March 15, 1996  
Page 2

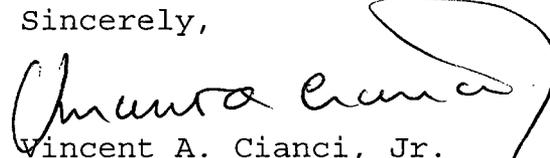
Building and the Magnolia Street Community Policing Station. Further, I would propose and request that the previously authorized community recreation center in South Providence be completed without the requirement that housing be developed on site prior to construction of the community recreation center. As amended, the collection of projects shall continue to be described and known as the "Community Facilities Project." The Authority is further requested to lease the Project to the City, and to cooperate with the City in maintaining and operating the Project for the benefit of the citizens of Providence.

The Authority is requested to issue its Bonds and/or Notes in an amount not to exceed Eleven Million Dollars (\$11,000,000) to provide funding for the Project, to capitalize interest, to pay the costs of issuance for the Bonds and/or Notes and such other expenses as may be necessary or incidental to the completion of the Project.

This request is subject to the approving vote of the Providence City Council.

Please send copies of all official actions taken by the Authority in response to this request to the undersigned and to the Director of Administration at City Hall, 25 Dorrance Street, Providence, Rhode Island 02903.

Sincerely,

  
Vincent A. Cianci, Jr.  
Mayor

APPROVED BY THE CITY COUNCIL ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 199\_.

\_\_\_\_\_  
CITY COUNCIL PRESIDENT