

RESOLUTION OF THE CITY COUNCIL

No. 457

Approved June 16, 2003

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

NOW, THEREFORE, BE IT RESOLVED,

1. That the City Council hereby approves the Proposal of the Mayor dated May 28, 2003 attached hereto (the "Proposal") which, among other things, requests the Authority to use its best efforts to finance the acquisition, construction, furnishing and equipping of a new high school and the renovation, the repair, replacement, improvement, furnishing and equipping of schools and school facilities in the City, including design and feasibility, engineering or other studies which may be necessary in connection therewith and any other acts necessary or incidental thereto (the "Projects"), and to issue Bonds and/or Notes in an amount not to exceed Thirty-One Million Dollars (\$31,000,000) to provide funding for the Projects.

2. That the City Council hereby authorizes the Mayor to negotiate and lease the Projects from the Authority and to transfer such additional property to the Authority as shall be necessary to secure the Bonds or Notes.

3. That the Mayor, the Director of Finance and the City Treasurer be, and they hereby are, authorized to take any and all action and to execute, file and deliver any and all agreements, notes, deeds, leases and other documents, and amendments thereto, as they, in their sole discretion, may deem necessary or desirable to implement the transaction contemplated by the Proposal.

4. That the City's Department of Public Property shall submit all estimates, bids, etc. regarding such construction, renovation, rehabilitation, improvement, furnishing, and equipping of the Project to the Committee on Finance of the City Council as such estimates become available.

IN CITY COUNCIL
MAY 13 2003
FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

Michael R. Claret
CLERK

Councilman Jackson, By Request

THE COMMITTEE ON
FINANCE

Approves Passage of
The Within Resolution, *As Amended*

Ann M. Allen

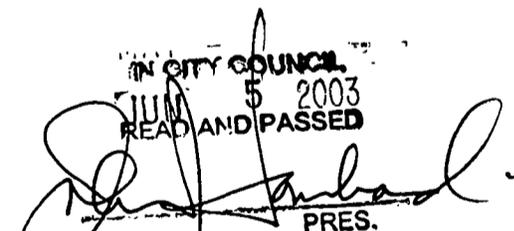
5-28-03 Clerk

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

6. This Resolution is an affirmative action of the City Council towards the issuance of the Authority's Bonds and/or Notes in accordance with the purposes of the laws of the State. This Resolution constitutes the City's declaration of official intent, pursuant to Treasury Regulation § 1.150-2, to reimburse its General Fund in an amount not to exceed Thirty-One Million Dollars (\$31,000,000) for certain capital expenditures for the Projects paid on or after the date which is sixty (60) days prior to the date of this Resolution but prior to the issuance of the Authority's Bonds and/or Notes, or otherwise as permitted by such regulation. Amounts to be reimbursed shall be reimbursed not later than eighteen months after (a) the date on which the expenditure is paid or (b) the date the Projects are placed in service or abandoned, but in no event more than three (3) years after the date the expenditure is paid.

7. With respect to the Project authorized herein, to the extent that the construction of such Project requires any amendment of the zoning ordinance or zoning map of the City, the City Council hereby initiates the same and directs that the City Planning Commission at its earliest opportunity provide it with its findings and recommendations as provided for in Rhode Island General Laws Section 45-24-52, as amended, and that the City Clerk schedule a public hearing of the City Council with all reasonable dispatch, giving proper notice as prescribed in Rhode Island General Laws Section 45-24-53, for this City Council to act on the proposed amendment.

8. This Resolution shall take effect on passage.

IN CITY COUNCIL
JUN 5 2003
READ AND PASSED

PRES.
Michael B. Cement
CLERK CB

APPROVED

MAYOR 6/16/03

Exhibit "A"

May 28, 2003

Lloyd Granoff, Chairman
Providence Public Buildings Authority
400 Westminster Street
Providence, Rhode Island 02903

Dear Mr. Granoff:

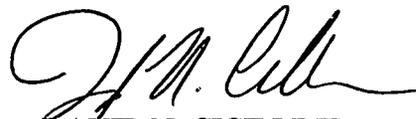
Section 45-50-10 authorizes any authority created pursuant to the Municipal Public Buildings Authorities Law to acquire and construct public facilities and to acquire public equipment; to maintain, renovate, repair and operate the same; and to issue revenue bonds to finance the same.

Pursuant to Section 45-50-10 of the General Laws of the State of Rhode Island, I hereby propose and request that the Providence City Council join me in requesting the Providence Public Buildings Authority (the "Authority") to use its best efforts to finance the acquisition, construction, furnishing and equipping of a new high school and the renovation, the repair, replacement, improvement, furnishing and equipping of schools and school facilities in the City, including design and feasibility, engineering or other studies which may be necessary in connection therewith and any other acts necessary or incidental thereto (the "Projects"), and to issue Bonds and/or Notes in an amount not to exceed Thirty-One Million Dollars (\$31,000,000) to provide funding for the Projects. The Authority is further requested to obtain title to the real estate and improvements constituting the Projects or such additional property as shall be necessary to secure the Bonds or Notes and to cooperate with the City of Providence in the development, planning, construction, maintenance, and operation of the Projects and to lease the Projects to the City for the benefit of the citizens of Providence.

The Authority is requested to issue its Bonds and/or Notes in the amount not to exceed Thirty-One Million Dollars (\$31,000,000) to provide funding for the Projects, to capitalize interest, at its option, to pay the costs of issuance of the bonds and/or notes and such other expenses as may be necessary or incidental to the completion of the Projects.

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

Sincerely,


DAVID N. CICILLINE
Mayor of Providence

TILLINGHAST LICHT PERKINS SMITH & COHEN, LLP

Neal R. Pandozzi
Direct: (401) 456-1212
E-Mail: npandozzi@tislaw.com

Attorneys At Law
TEN WEYBOSSET STREET
PROVIDENCE, RI 02903-2818
401.456.1200 FAX 401.456.1210
www.tislaw.com

May 30, 2003

VIA HAND DELIVERY

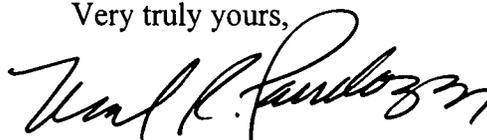
Mr. John Simmons
Acting Director of Administration
Providence City Hall
25 Dorrance Street
Providence, Rhode Island 02903

Re: Providence Public Buildings Authority/School Bonds

Dear Mr. Simmons:

Per Karen Grande's direction, enclosed please find the Mayor's proposal letter in connection with the above-referenced matter. The letter should be copied onto the Mayor's letterhead for signing. If you should have any questions, please do not hesitate to call.

Very truly yours,



Neal R. Pandozzi

NRP/dd
Enclosures

::ODMA\MHODMA\imanag32;370963;1