

**CITY OF PROVIDENCE
RHODE ISLAND**



CITY COUNCIL

JOURNAL OF PROCEEDINGS

No. 4 City Council Special Meeting, Tuesday, February 11, 2014, 5:00 o'clock P.M.

PRESIDING

**COUNCIL PRESIDENT
MICHAEL A. SOLOMON**

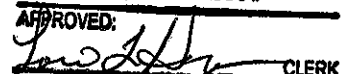
CALL TO ORDER

**PRESENT: COUNCIL PRESIDENT SOLOMON, COUNCILMAN APONTE,
COUNCILMAN CORREIA, COUNCILMAN HASSETT, COUNCILMAN IGLIOZZI,
COUNCILMAN JACKSON, COUNCILMAN JENNINGS,
COUNCILWOMAN MATOS, COUNCILMAN NARDUCCI,
COUNCILMAN PRINCIPE, COUNCILMAN SANCHEZ, COUNCILMAN YURDIN,
COUNCILMAN ZURIER – 13.**

ABSENT: COUNCILWOMAN CASTILLO, COUNCILMAN SALVATORE – 2.

**ALSO PRESENT: ANNA M. STETSON, CITY CLERK, SHERI A. PETRONIO,
ASSISTANT CLERK AND JEFFREY M. PADWA, CITY SOLICITOR**

**IN CITY COUNCIL
MAY 01 2014**

APPROVED:

CLERK
ACTING

INVOCATION

The Invocation is given by **COUNCILWOMAN SABINA MATOS**.

"Dear Lord, today I want to ask you as we get ready to hear the address from the Mayor of City of Providence that you bless the Mayor, his administration and every department director that is here today. That you bless the City of Providence and please bless the City Council and help us make wise decisions that will be the best decision to improve the lives of the residents of the City of Providence and bless all the media that is here present today. Amen."

PLEDGE OF ALLEGIANCE

COUNCILMAN NICHOLAS J. NARDUCCI, JR. Leads the Members of the City Council and the Assemblage in the Pledge of Allegiance to the Flag of the United States of America.

CALL FOR SPECIAL MEETING COMMUNICATION FROM COUNCIL PRESIDENT MICHAEL SOLOMON

Request filed with the City Clerk February 6, 2014, Requesting a Special Meeting of the City Council to be Called on the 11th day of February, 2014 at 5:00 o'clock P.M., in the City Council Chamber, Third Floor, City Hall.

COUNCIL PRESIDENT SOLOMON Receives the foregoing Communication.

RESULT:	RECEIVED
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WARRANT FOR SPECIAL MEETING

Warrant of the City Clerk to the City Sergeant with Return Certification that he has notified each Member of the City Council of the Special Meeting Called for the 11th day of February, 2014 at 5:00 o'clock P.M., in the City Council Chamber, Third Floor, City Hall.

COUNCIL PRESIDENT SOLOMON Receives the foregoing Warrant.

RESULT:	RECEIVED
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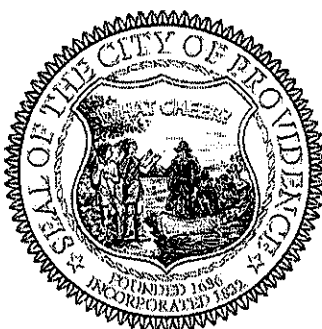
AT EASE

AT EASE

COUNCILMAN YURDIN Moves to stand At Ease, Seconded by **COUNCILMAN NARDUCCI**.

COUNCIL PRESIDENT SOLOMON Declares the Council to stand at ease at 5:10 o'clock P.M., to Reconvene at the call of the Chair and appoints **DAVID TASSONI**, **CITY SERGEANT**, **COUNCILMAN HASSETT** and **COUNCILMAN APONTE** to escort **HIS HONOR THE MAYOR ANGEL TAVERAS** to the Chamber of the City Council.

RECONVENTION



Mayor Angel Taveras **2014 State of the City Address**

Working and Investing in Providence

Wednesday, February 5, 2014
(as prepared for delivery)

Mr. President, honorable members of the Providence City Council, distinguished guests, and my fellow residents of our great Capital City -

In April, I had the pleasure to be present for the Omni Group's purchase of the C.J. Fox complex in Providence. Anyone who drives on Route 95 South through the heart of Providence knows the Omni Group has been hard at work doing a gut renovation of four old factory buildings at the entrance to historic Federal Hill.

The Omni Group is a homegrown company, headquartered in Providence. Like most businesses, they went through some tough times beginning in 2008. Financing their project became a major challenge when Wall Street imploded and the economy went into a tailspin.

But the Omni Group made it through the hard times, and now they are moving forward and investing \$5 million to convert the old factory complex into 70,000 square feet of upscale office space. Bill DiStefano, Omni's President and CEO, told me they decided to begin expanding their business again because they believe Providence is heading in the right direction.

I tell you this story because I think it encapsulates the state of our city today. We've been through the hard times of the Great Recession, but we never stopped believing that better days were ahead. Providence is our home, and we remain committed to our city. We are working hard and making investments that will propel Providence into a future of greater economic strength and prosperity.

It's difficult to believe that just two years ago Providence stood at the abyss, as we worked to address a \$110 million structural deficit and keep our Capital City out of bankruptcy.

But we pulled together - all of us here, and many others throughout our state - to save Providence. From our labor unions to our tax-exempt institutions and our taxpayers - everyone pulled together. We rolled up our sleeves and got to work. And as a result, we turned a \$110 million structural deficit into a \$1.6 million budget surplus.

I am very proud of the work we have achieved to make this remarkable turnaround possible, and I thank everyone who has sacrificed for our city.

Make no mistake. There is more work to do to restore Providence to full fiscal health. We must replenish our reserves, and a negative fund balance created through several years of budget deficits will likely take several years to correct. We continue to make every decision with an eye on the impact it will have on city finances.

But we never lost focus on the things we value the most about our community. We never stopped investing in our city as we worked our way through the challenging times. Today we are stepping up those investments.

PUTTING PROVIDENCE BACK TO WORK

Last spring, even as we continued our work to close the budget deficit, we announced a comprehensive economic development plan for our city. The plan is called 'Putting Providence Back to Work,' and it has 20 action items designed to jumpstart our economy and create jobs.

We have been working hard to implement the plan, and we have made progress.

Mr. President, I was pleased to work with you and other members of the City Council to freeze Providence's highest-in-the-nation commercial tax rate. I don't want Providence first on any list involving taxes. But I know that holding the line on the commercial tax rate was not an easy decision. I thank the members of the City Council for having the courage and foresight to pass this freeze, so we can encourage business in our city. I ask you to stand with me again next year in holding the line on our commercial tax rate. It's the right thing to do for Providence's future.

For many years, developers have said it is too difficult to pull a construction permit in Providence. There are too many hoops to jump through, and it takes too long. The amount of time it takes for approval to build in Providence has acted as a barrier to economic development.

So last year, we moved our plan reviews and permit applications online. The new system, "ProvSmart," makes it easier to do business in Providence. We streamlined the permitting process internally by creating a new unit in the Department of Inspections and Standards to fast-track small-permit applications. And we moved our Fire Inspectors together with our Building Inspectors, so they can share information and talk to applicants at the same time.

I have good news to report. As a result of our actions, the average number of days it takes to get a permit in Providence has been reduced almost 85 percent - from 18 days a year ago to two and a half days today. People have talked about fixing permitting in Providence for many years. We are not just talking about it, we are doing it.

What are doing *whatever* is necessary to remove barriers holding back development in Providence. Last month, the Providence Redevelopment Agency transferred ownership of the historic and vacant Arnold Building in the heart of downtown to new owners who plan to revitalize the building. The city is providing \$220,000 in funding to help jumpstart the project. This is a new beginning for the Arnold Building. I'm grateful to the PRA, the Providence Revolving Fund, the Providence Historic District Commission and the owners for working together to make this possible. We can accomplish a lot when we work together.

In the past year, construction and investments worth \$634 million have been completed across our city: the Arcade Providence, the Providence G, Johnson & Wales' Physician Assistants School, the Highlands Health Center, and renovations of the Regency Plaza, the Biltmore Hotel and the Columbus Theatre.

We are also working to reinvent the gateway to our city: Kennedy Plaza. Together with public and private partners, last year we unveiled a plan to transform Kennedy Plaza into a public space with cultural programs and public transit that draws residents, visitors and new businesses to the heart of Providence. We received a prestigious \$75,000 National Endowment for the Arts award to program artistic and cultural events downtown, and had a successful summer of fun programs for children and families. Recently, the Champlin Foundations pledged a tremendous \$395,000 grant to create a pedestrian gateway within Burnside Park. Stay tuned for more exciting news and big changes in Kennedy Plaza in the coming months.

INVESTING IN SMALL BUSINESSES AND STARTUP COMPANIES

Small businesses are the beating heart of Providence's economy and we are working to support them. In partnership with the U.S. Small Business Association, the Center for Women and Enterprise, and SCORE, we recently renewed a first-of-its-kind partnership to support business growth, economic development and job creation. Over the course of our previous two-year agreement, we hosted 12 workshops for nearly 150 individual business owners, teaching them skills to access working capital, state tax incentives, and small business financing.

Economic development begins with our small businesses and in our neighborhoods. One of our first ideas was to investment in storefront improvements to help grow small businesses and make our neighborhoods more attractive to residents and visitors. Next week, I will announce our progress on this initiative and launch a new program available to local small businesses.

We are working to market and promote properties that are vacant and available for development. And to assist all of this growth, we are working on a comprehensive update of our decades-old zoning ordinance. We're bringing our zoning into the 21st century with an ordinance that will guide future development in our city for decades to come. It will support our goals for smart growth, sustainability, and public transit-oriented development.

In November, I was proud to stand with our senior U.S. Senator, Jack Reed, to launch Rhode Island's first EB-5 Regional Center. EB-5 is a visa program designed to attract investments from other nations. Foreign investors team up and each contributes at least half a million dollars into a venture expected to create new jobs. EB-5 leverages some of Providence's greatest assets - our inclusiveness and diversity - to attract new investments in our community. That's an important piece of the puzzle as we work to create jobs and grow our economy.

We have improved oversight, accountability and transparency at the Providence Economic Development Partnership. In December, HUD gave the agency a green light to resume lending low-interest loans to Providence businesses through its revolving fund. The PEDP is once again in a strong position to support our work to create jobs and grow our economy. I thank HUD for its commitment to Providence, and for its recognition of our strong efforts to reform the PEDP.

We have also reached out to 2,700 small businesses in Providence to help them understand the various federal, state and local tax programs that may be able to assist them.

Experimenting with startups is one place where a little can go a long way. So in my first year as Mayor, we created the Innovation Investment Program, or IIP - a first-of-its-kind, pilot program in partnership with HUD to invest in startup companies creating jobs in Providence.

Thirty one startups participated in the first round of the program. We invested \$1.6 million in these companies and Betaspring, a startup accelerator here in Providence, invested \$1.6 million. These startups have brought more than 50 talented entrepreneurs to Providence. They came from Boston, New York, New Jersey, Ohio, Oregon, and California. They brought their families here, spent locally at stores and restaurants, and are contributing to our cultural and civic life. The startups have also raised an additional \$4.6 million in private capital.

Tonight, I am pleased to announce that we're making another, \$1 million investment in the IIP program, to fund a second round of startups.

Some of the entrepreneurs whose startups received the first round of IIP funding are here with us this evening. Please stand up. Thank you for helping to create jobs and attract new talent to Providence.

We are working hard to secure Providence's future, and we are seeing positive results. Our unemployment rate is dropping. When I took office in 2011, Providence's unemployment rate was 13.6 percent. In December, that number was 10.5 percent. Our work is far from over, but together we are beginning to put Providence residents back to work.

Some of the people who are back at work in Providence have been employed through the \$40 million road construction project that we embarked on last spring. I want to introduce one of them now. Martha Jones is a Providence resident who was out of work for several months last year. But she got a job directing traffic for our construction contractor, J.H. Lynch & Sons, when roadwork began last spring. And through her work for Lynch, Martha is now enrolled in an apprenticeship program and is training for a career in the construction trades.

Martha, please stand up. Thank you for your work to fix our roads. And congratulations on your new career path!

The road improvement projects that Martha and others have been working on in Providence are another example of our continued investments in Providence, even as we have worked to close the budget deficit. The job of fixing 62 miles of road in Providence was expected to take three construction seasons. But we have been working hard and have already fixed about half the roads. We now expect to complete the project by the end of this year.

These road improvement projects also show how our work to fix Providence's finances is paying off. This is what I mean: When we took our road bond to market last winter, more investors wanted to buy into the bond than there was room to accommodate. This drove down our interest rate, which will save the city about \$300,000 a year. Analysts said this strong interest by investors in our road bond was a clear vote of confidence in our work to reform Providence's pension system and put the City on a sustainable fiscal path.

INVESTING IN YOUNG PEOPLE

We are investing in our children and teenagers in Providence - both in school and out. Last summer, 650 Providence youth were employed through programs administered by the Providence Department of Parks and Recreation and Workforce Solutions of Providence/Cranston. In addition, we've committed \$65,000 to pay for apprenticeship programs, including Building Futures and YouthBuild Providence.

We're providing opportunities for young adults and older adults to continue their education and help them learn the technical skills they need to be successful. We worked with the City of Cranston to hold 11 job fairs in the past year. More than 265 businesses and 1,700 applicants participated.

Last year, we allocated over \$100,000 in funding to adult education programming at Providence community centers. And as of last June, we had provided financial counseling to over 1,100 clients through Providence's three Financial Opportunity Centers.

I am passionate about public education because it has been one of the most important parts of my life; education transformed me. I want to make sure that all of Providence's children are transformed by education and that we are providing them with the resources they need to achieve their goals and be successful.

In our public schools, we are working hard to raise student achievement, support our teachers and help put Providence's children on a path to success. We have deployed hundreds of volunteers in second- and third-grade classrooms across the city. And we are successfully connecting more students with meaningful summer learning experiences.

An incredible predictor of a child's future success is the ability to read on grade level. We are continuing to implement Providence Reads, an initiative in partnership with businesses and organizations across the city to increase grade-level reading, promote school readiness, improve school attendance, and support summer learning in Providence.

Just two days ago, we launched Providence Talks. This is our award-winning, innovative project to set low-income children on a path toward lifelong achievement by using technology and working with families to increase the number of words that low-income children hear by their fourth birthday.

The \$5 million project is being funded by Bloomberg Philanthropies, after we were selected in March as the grand prize winner of Mayor Bloomberg's challenge to mayors across America to come up with ideas with the power to transform their cities and our nation.

One of the first families enrolled in Providence Talks is here with us this evening. Ashley Cox is here with her sons Jaiden and Jaiven. You might have seen them in the news last week, because Ashley generously agreed to open her home to the media to let the world learn more about how Providence Talks works, and the promise it holds for families across our city.

Ashley, please stand up so we can say thank you. We are inspired by your commitment to your family. We are in your corner. And we believe there is nothing Jaiden and Jaiven cannot accomplish when they have the support they need at home and from our community.

Our efforts to improve education have not gone unrecognized. Last year, Providence was named a 2013 Community Pacesetter by the Campaign for Grade-Level Reading based on the energy and creativity that we've brought to our grade-level reading campaign. And we are one of only three cities across the country invited to apply to the Carnegie Corporation for a \$3 million grant to transform high schools.

We are being recognized nationally because we are getting results. Here are three important statistics I want to share with you. In the past two school years, Providence's school absentee rate has gone down X percent. Our dropout has gone down X percent. And our graduation rate is up X percent.

Do we still have a long way to improve public education in Providence? Absolutely. But we have been focused on the challenges, we are working hard, and we *are* headed in the right direction.

INVESTING IN PUBLIC SAFETY

We are investing in public safety. One month ago, we welcomed the graduates of the 50th Providence Fire Department Training Academy. This class of new firefighters marks a significant. For the first time in the 159-year history of the Providence Fire Department, a woman - Alison Philbrick - graduated first in the class.

Alison is here tonight, and I would like to acknowledge her and all of our city's 54 new firefighters. On behalf of the residents of Providence, I extend our deepest thanks. We know how challenging and dangerous your jobs will be, and we take heart in knowing that you are thoroughly prepared.

The Fire Academy class is a good example of how we are making investments in our city while remaining committed to responsible fiscal management. Since the class graduated and our new firefighters got to work, overtime has been practically eliminated in the Providence Fire Department. We said we were going to increase our number of firefighters and save money in the process, and we are on course to achieve that goal.

We also must recognize and thank Providence's finest - the men and women of our Police Department - who have also been understaffed but have maintained one of the lowest crime rates in the city in decades.

We hear a lot concerns about public safety in Providence - and for good reason. It is far too easy for young people to get their hands on guns. In Providence and communities across the country, we've experienced far too many tragedies involving guns.

We are adjusting public safety resources to focus on removing illegal guns from the streets of Providence. In collaboration with our state and federal law enforcement partners, we will implement a program this spring with a mission to reduce violence by targeting criminals who use guns. We will deploy the Neighborhood Response Team - a program established nearly a decade ago to leverage state resources in partnership with our Police Department.

As Mayor, I will continue to push for common-sense gun legislation at the State House. We need to expand background checks and strengthen the ability of our local police to address the challenge of illegal firearms.

But we cannot lose sight of the fact that Providence is a safe city. I'll say it again - Providence is a safe city.

Providence is a safe city thanks to the tremendous dedication and professionalism of the Providence Police Department. The number of shootings in Providence has gone down every year that I have been Mayor. Despite their fewer numbers, our police officers are making more arrests and seizing more guns every year.

And Providence's overall crime statistics remain the lowest they've been in decades.

Here's just one example of the fine work that the Providence Police do every day: In May, the narcotics unit began an investigation into drug dealing in Kennedy Plaza. After several weeks of investigation, Operation Hubcap culminated with 41 people arrested for narcotic and firearm violations - virtually eliminating drug dealing in Kennedy Plaza.

And more help is on the way. This spring as the Providence Police Department celebrates its 150th birthday, 60 police officer recruits will begin training in a new Police Academy class. It will be the most diverse class in the history of the Providence Police Department. We expect to finish the academy and have the new officers on the streets of Providence before the end of the year.

At the same time, we are on course to fulfill a goal that we set at the beginning of this administration to receive national accreditation for the Providence Police Department. The Police Department has been working hard to meet 480 national standards regarding best practice for an urban police force. We expect to be accredited by the end of the year. This will be an important achievement. It will mean the Providence Police Department is recognized as one of the best-run police departments in the nation, and a model for other cities.

I want to take a moment to address one issue that has challenged our city in the past year - the abuses that have occurred in Providence's adult entertainment nightclubs. Public Safety Commissioner Steven Pare and I were outraged when detectives discovered an underage girl working at one of these clubs and soliciting for sex. And we know the incident was not an isolated one. The trafficking of minors in the underground sex trade is abhorrent and intolerable, and we will do everything in our power to stop it from occurring in our city.

I have introduced "one strike" legislation to the City Council that requires the license board to permanently revoke the licenses held by an adult entertainment club for any finding of prostitution or employing a minor. The legislation also bans private rooms and booths in strip clubs, where we know that prostitution flourishes.

Indoor prostitution and hiring underage children to work in strip clubs is illegal and cannot be tolerated in any club in Providence or in the State of Rhode Island. I look forward to working with the City Council to pass this legislation in the coming weeks.

INVESTING IN OUR QUALITY OF LIFE

Providence has so much more to offer than this type of adult entertainment. As Mayor, I am working hard to promote all of Providence's truly outstanding artistic and cultural amenities. We want to bring people in to our Capital City, so they can experience all of the things we have to offer - from our award-winning restaurants, WaterFire lightings, and world-class arts and cultural activities for all ages. Once people come to Providence, they come back - whether it's as a resident, a business owner or a recurring visitor.

Last summer, in partnership with the Providence Tourism Council and the Providence Warwick Convention and Visitors Bureau, we launched a regional marketing and advertising campaign encouraging visitors to "Come to Providence." Following that campaign, our city's hotels had their highest occupancy rate in August in years - almost 82 percent. In September, our hotel occupancy rate was 80.5 percent - up from 73.1 percent in September 2012.

Together with our community partners, we are working to preserve historic architecture and put people back to work rebuilding some of our neighborhoods that were hit hardest by the recession. Last year, we allocated nearly \$2 million for the rehabilitation of vacant and abandoned properties, as well as the production of new units of affordable housing. Our Nuisance Properties Task Force is actively working to identify and remediate problem properties throughout Providence. We've also supported this work by providing special grants for housing development.

We are investing in a healthier, more sustainable community. We established Providence's first Office of Sustainability, which, under the direction of Sheila Dormody has done a fantastic job implementing a citywide recycling program and doing other work to make Providence a more sustainable city. We established the city's first Healthy Communities Office, which under the direction of Peter Asen has led the charge in protecting children from the harmful effects of tobacco and other efforts to make Providence a healthier city.

We won a major court victory last year over Big Tobacco in the First Circuit Court of Appeals, which reaffirmed our nationally significant tobacco ordinances aimed at keeping the tobacco companies from marketing to children.

Our Lots of Hope Program is transforming five city-owned vacant lots into a working urban farm in partnership with the Southside Community Land Trust. We are going to lease that land to the African Alliance of Rhode Island, so that recent immigrant farmers can grow crops for the market and for their families.

We also created the city's first-ever municipal composting pilot program, and have 50 families participating at the West Broadway Neighborhood Association and on Smith Hill. Between them, they've converted over two tons of food waste, helping us to reduce waste that's going to the landfill.

I was proud to be the first Mayor in the country to sign the Green and Healthy Homes Compact, a nationwide effort that uses minority contractors to provide weatherization and energy upgrades to homeowners who could not otherwise afford it. One hundred thirty five housing units in Providence have received weatherization, health and safety upgrades through the Green and Healthy Homes Initiative.

We have committed to making Providence friendlier to bicyclists and pedestrians. In November, I was pleased to join Providence's Bicycle and Pedestrian Advisory Commission to unveil 'Bike Providence,' a new, bicycling master plan for our city.

HARD AT WORK IN PROVIDENCE

Three years ago, on a frigid January morning as I was inaugurated on the steps of City Hall, I pledged to face our challenges with honesty and make the difficult decisions needed to improve our city - even if my decisions were politically unpopular.

The work we have accomplished has not been easy - hard work never is. Not everyone has agreed with all of the difficult decisions we have made. But my commitment has always been to the residents of Providence. I have worked every day to leave Providence better off than it was when I became Mayor.

Not all moments in history are created equal. Some moments are momentous - shaping the course of future events for years to come. These past three years have been a momentous time for our city. Providence was at a crossroads. We chose the path toward a brighter future. It was up to us, and everyone did what they needed to do to move our city forward. And today I can say that because of us, Providence is better off than we were not long ago. We've restored hope in our beloved city.

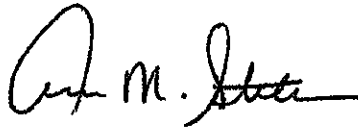
Today we are hard at work and investing in Providence. We successfully averted bankruptcy. We have gone from a budget deficit to a surplus. We are responsibly managing our finances while stepping up investments in our future.

And we are clearly headed in the right direction. Providence's unemployment rate is down. It is getting easier to do business in our city. Development and construction projects are increasing. In our schools, our graduation rate is up and our dropout rate is down. Crime remains at record lows. We are making investments in a healthier, more sustainable future. This is the state of our city.

It has been an honor and a privilege to work with you and to be your Mayor these past three years. I look forward to continuing our work together in the coming year. God bless you, and God bless our Divine Providence.

CONVENTION

There being no further business, on Motion of **COUNCILMAN YURDIN**, Seconded by **COUNCILMAN NARDUCCI**, it is voted to adjourn at 5:45 o'clock P.M., to meet again **THURSDAY, FEBRUARY 20, 2014 at 7:00 P.M.**

A handwritten signature in black ink, appearing to read "Anna M. Stetson", written in a cursive style.

**ANNA M. STETSON
CITY CLERK**

**This meeting was recorded and the video may be viewed on demand via the internet.
Please visit the City Clerk web site or contact us directly for details.**