



**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**CHAPTER**

No.       **AN ORDINANCE ESTABLISHING A TAX STABILIZATION AGREEMENT  
FOR 44 HOSPITAL STREET**

*Be it ordained by the City of Providence:*

WHEREAS, Option B, LLC and Option C, LLC (“Owner”) are the owner of certain real estate located at 44 Hospital Street, Plat 21, Lot 426 in the City of Providence. The Owner proposes to develop a mixed use building featuring commercial and residential uses (the “Project”); and

WHEREAS, The Owner intends on making a significant investment in returning this building to a productive use for the City and this Project which will enhance the tax base of the surrounding area and increase receipts of sales tax revenues through the new sales generated by potential commercial tenants; and

WHEREAS, The City of Providence envisions that the Project will generate both construction related jobs associated with the building of the Project and permanent jobs associated with the tenants that will occupy the Project within the City of Providence as well as protect; and

WHEREAS, The Project will provide for additional quality housing opportunities for people who want to live downtown and housing opportunities to support the demand for housing in the downtown area generated by the development of the 195 corridor and other businesses downtown; and

WHEREAS, Rhode Island General Laws § 44-3-9 (“Act”) authorizes, subject to certain enumerated conditions, the city council of a city for a period not to exceed twenty (20) years, to exempt and determine an amount of taxes to be paid on account of real and tangible property used for commercial and residential purposes, notwithstanding the valuation of the real estate, tangible property or the rate of tax; and

WHEREAS, This Tax Stabilization Agreement (the “Ordinance”) has been determined by the City Council of the City of Providence to be fair, equitable and acceptable to the City; and

WHEREAS, it is in the best interest of the residents of the City of Providence to grant this Tax Stabilization Agreement in order to foster the rehabilitation.

**Be It Ordained by the City of Providence:**

Section 1.       That the findings set forth in the preceding recitals are hereby made and confirmed.

Section 2.       Definitions. The following terms shall have the meanings set forth herein:

- (a) “Assessment” shall mean the value placed upon the improvements made by the Owner by the City of Providence Tax Assessor.
- (b) “Commencement Date” shall be effective date of this Ordinance.
- (c) “Personal Property” means any and all tangible personal property including, but not limited to all fixtures, furniture, equipment, furnishings, vehicles, computer hardware and software, informational systems and other personal property.
- (d) “Project Site” means all of the real estate and buildings and improvements thereto located at 44 Hospital Street, Plat 21, Lot 426 in the City of Providence.

- (e) "Project Site Owner" means an entity with the right and interest in and to the Project Site (or portions thereof), including successors to units and/or sub-units of the Project Site.
- (f) "Project Taxable Property" means collectively, the Project Site and all Real Property Improvements and Personal Property thereon.
- (g) "Real Property Improvements" means any structures or improvements including but not limited to buildings, parking lots/structures and related improvements to be constructed and developed on the Project Site.
- (h) "Stabilized Tax Payments" shall mean the payment of taxes pursuant to the schedules of payments detailed in Section 5 below.
- (i) "Termination Date" means the 12th anniversary of the December 31 in which the Project Site is first assessed pursuant to the schedule set forth in Section 5 below.

Section 3. Grant of Tax Stabilization Agreement. The City of Providence, in accordance with the General Laws of the State of Rhode Island and the Code of Ordinances for the City of Providence, is hereby authorized to grant and does grant the schedule of Incentivized Tax Payments pursuant to Section 5.

Section 4. Term. The term of this Ordinance shall be a period commencing upon the Commencement Date and terminating on the Termination Date.

Section 5. Tax Exemption and Stabilization Plan. Tax Payments due for the first three (3) years of the Term shall remain at the 2017 assessed value and tax rate (hereinafter the "Base Assessment"). During the first three years of the Term, the Project Site Owner must substantially complete construction on the Project Site, subject to a Force Majeure Event (as defined below). In the fourth tax year after the Commencement Date, full taxes shall begin phasing in. Beginning in the fourth tax year after the Commencement Date, the assessor shall issue a bill for the Base Assessment plus a percentage of the difference between the Base Assessment then current full value assessment as follows:

<u>Year</u>	Percentage of Difference between Base Assessment and Current Full Value Assessment
Year 4	11%
Year 5	22%
Year 6	33%
Year 7	44%
Year 8	55%
Year 9	66%
Year 10	77%
Year 11	88%

Year 12	95%
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Following the conclusion of twelve full years, The Project Site Owner will be paying the full current assessment. Tax Payments in each year beginning in the fourth tax year after commencement shall be calculated by the then current valuation of the property and the current applicable real property tax rates.

**Section 6. Payment of Taxes and Revenue Reporting.**

(a) Stabilized Tax Payments due to the City, pursuant to the schedule listed in Section 5, may be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments. If the quarterly payments are to be made, they shall be due on the same dates that quarterly taxes are due for all other taxpayers in the City.

(b) The liability for the Stabilized Tax Payments due and owing under this Ordinance shall constitute an obligation of the Project Site Owner, and the City shall be granted by the Project Site Owner, a first lien on the Project Taxable Properties, which lien shall be of the same priority and entitle the City to the same foreclosure remedies as the lien and foreclosure remedies provided under the applicable laws and ordinances with respect to real property and personal property taxes. The City agrees to provide Notice to Project Site Owner prior to exercising any foreclosure or other remedies available and the Owner of the Project Site shall have ninety (90) days to cure any alleged default under this Ordinance from the date upon which Notice of any alleged default is received from the City. Said Notice shall include, with specificity, the nature of any alleged default, and the actions which the City believes to be reasonably necessary to cure any alleged default under this Ordinance.

(c) It is understood that the Stabilized Tax Payments made hereunder are deemed by the City to be tax payments, and the Project Site Owner shall be entitled to all of the rights and privileges of a taxpayer in the City, including, without limitation, the right to challenge and appeal any assessment and/or reassessment. It is further understood and agreed that the City's sole and exclusive recourse to Project Site Owner is limited to the City's first lien on the Project Taxable Properties, however, nothing herein shall be construed to limit the right of the City to foreclose or take any other judicial proceeding available at law for the collection of taxes.

(d) Stabilized Tax Payments not made by the Project Site Owner as they become due shall be subject to any and all penalties allowed under Rhode Island General Laws. Failure to receive a tax bill reflecting the payments pursuant to Section 5 shall not relieve Project Site Owner of its obligation to make Stabilized Tax Payments herein. If for any reason the Project Site Owner does not receive an appropriate tax bill, Project Site Owner shall have the responsibility and obligation to make reasonable inquiries to the City in order to have such a proper tax bill issued and thereafter to make payment of the same no later than the due dates provided herein. Stabilized Tax Payments shall be made by Project Site Owner directly to the City of Providence Tax Collector's Office.

**Section 7. Effect of Failure to Make Payments.** The real property, tangible and personal property taxes payable to the City for the Project Site during the term of this Ordinance shall be based upon the schedules set forth in Section 5. This Ordinance is further conditioned upon Project Site Owner, whether now or in the future, remaining current on tax payments pursuant to Section 5. Failure to make said timely Stabilized Tax Payments may, at the discretion of the City of Providence following the Notice and the 90-day cure period set forth in Section 6(b), render this Ordinance null and void.

**Section 8. Transfers.** As long as the Project Site Owner or any successor or assignee owns or operates the Project Site, it will continue to pay Stabilized Tax Payments for the Project Site pursuant to this Ordinance.

(a) Project Site Owner or any successor or assignee, acknowledges and agrees that the Project Site will be subject to taxation pursuant to the terms of this Ordinance and thereafter

subject to taxation pursuant to Rhode Island General Laws and the ordinances of the City of Providence. Project Site Owner, or any successor or assignee, agrees that the exemption and conditions under this Redevelopment Incentive Program shall run with the land.

(b) In the event that a Project Site Owner transfers the Project Site to a tax exempt entity in the first five years immediately following the expiration of this Ordinance, the Project Site Owner agrees that a percentage of the sale price will be paid to the City of Providence as follows: if the property is sold to a tax exempt entity in the first year immediately following the expiration of the Ordinance then the Project Site Owner shall pay five percent (5%) of the sale price to the City; if the property is sold to a tax exempt entity in the second year immediately following the expiration of the Ordinance then the Project Site Owner shall pay four percent (4%) of the sale price to the City; if the property is sold to a tax exempt entity in the third year immediately following the expiration of the Ordinance then the Project Site Owner shall pay three percent (3%) of the sale price to the City; if the property is sold to a tax exempt entity in the fourth year immediately following the expiration of the Ordinance then the Project Site Owner shall pay two percent (2%) of the sale price to the City; and if the property is sold to a tax exempt entity in the fifth year immediately following the expiration of the Ordinance then the Project Site Owner shall pay one percent (1%) of the sale price to the City.

#### Section 9. Employment and Contracts.

(a) Construction.

- i. MBE/WBE. Project Site Owner shall make a good faith effort to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 31- 14.1 ("MBE Act") no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with the rules and regulations promulgated pursuant to MBE Act). Project Site Owner shall make a good faith effort to award to Women Business Enterprises (WBE's) no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with Section 21-52 of the Code of Ordinances of the City of Providence). Project Site Owner will request the City MBE/WBE office and its Supplier Diversity Director to establish a list of qualified MBE/WBE companies in order to satisfy its MBE/WBE construction goals. In this manner, the City will assist Project Owner in meeting said goals. The process of participating with the MBE/WBE office and its Supplier Diversity Director shall begin upon passage in order to develop a designated MBE/WBE subcontractor list which will encourage MBE/WBE participation and joint ventures with other members with the construction industry.
- ii. Internal Revenue Service reporting. Except as provided under Rhode Island General Laws § 28-42-8, any person performing services at the Project Site shall annually receive either a W-2 statement or an IRS Form 1099.
- iii. First Source List. Pursuant to the City of Providence First Source Ordinance, the Project Owner shall enter into a First Source Agreement covering the hiring of employees necessary to complete the proposed Project and throughout the term of this Agreement. Project Owner shall work in conjunction with the Director of First Source Providence to develop the First Source Agreement.
- iv. "Buy Providence" Initiative. Project Site Owner will use good faith efforts to ensure that construction materials are purchased from economically competitive and qualified vendors located in the City of Providence. In furtherance of this effort, Project Site Owner will work with the City to develop a list of Providence vendors and subcontractors in order to create a preferred vendor list of qualified and economically competitive vendors for the construction of the Project. In order to further that effort, Project Site Owner will hold seminars upon passage of this Ordinance, with the Providence MBE/WBE office, the Supplier

Diversity Director, the Director of First Source Providence and the Providence Chamber of Commerce to inform the local economy of the Project Site Owner's development plans in order to maximize the opportunities for Providence businesses to work with Project Site Owner in providing on-going services, equipment and materials. To be clear, nothing in the foregoing shall be construed so as to obligate Project Site Owner to purchase construction materials from any vendor that has not provided the lowest qualified bid in connection with the provision of such materials, as reasonably determined by Project Site Owner.

- (b) Permanent Employment. In conjunction with its efforts pursuant to this Section and its ongoing efforts to provide equal employment opportunity without regard to race, color, religion, natural origin, sex, age or handicap, Project Site Owner shall liaise with the City and with the Director of First Source Providence to assist in the recruitment of qualified minority, women, and handicap applicants as well as those on the First Source List for all of its employment positions.
- (c) Reporting. During the construction phase of the Project, Project Site Owner shall annually report to the City Council on its progress in complying with the provisions of this Ordinance, including but not limited to, Section 10. To be clear, the terms of this Section 10 shall apply to Project Site Owner and its Real Property Improvements at the Project Site, but shall not be deemed to apply to the tenants of the Project Site and/or the businesses conducted thereon.
- (d) Monitoring Fee: The Property Owner shall remit a monitoring/compliance fee to the City in the amount of 0.01 percent of the cost of the project annually for the term of this Agreement. Said annual payments will be payable on the anniversary of the commencement date in each subsequent tax year.

Section 10. Agreement to establish a fund to be held in Trust by the Treasurer of the City of Providence. Upon passage of the Resolution Ratifying this Ordinance, the Property Owner shall contribute to a Trust Fund established by the City, of which the Treasurer shall be the trustee. The Fund shall be identified as the "City Council Parks and Recreation Fund." The City Council shall establish regulations pertaining to the disbursement of funds.

- (a) Payment of to the Fund. The Property Owner shall make annual payments to the Fund in the amount of five (5) percent of the total estimated abated tax for the term of the Agreement, for as long as this Agreement is in full force and effect, including any extensions should they be granted. Said annual payments will be payable on the anniversary of the commencement date in each subsequent tax year.
- (b) Investment and Distribution of the Fund. The trust fund will be invested by the Board of Investment, and an annual distribution of the investment shall be used to provide funds to the Department of Parks and to the Department of Recreation for capital improvements in neighborhood parks and recreation centers. Said annual distribution shall not supplant any funds that are provided to the Department of Parks or the Department of Recreation through the operating budget. The amount of the distribution shall not exceed four (4) percent. Distributions may never exceed the earnings in the year of distribution or reduce the corpus of the funds. The first payment from the fund shall begin in the fifth year after the establishment of the Agreement.

Section 10. Resolution of Calculation Disputes. Project Site Owner and the City of Providence agree that Project Site Owner retains the right to appeal the valuation or calculation of the taxes assessed from time to time.

Section 11. Severability. If any one section of this Ordinance is found to be unenforceable, then the other provisions herein shall continue to have the same force and effect as if the unenforceable provision were not passed as part of this Ordinance.

Section 12. Applicable Law. This agreement shall be construed under the laws of the State of Rhode Island.

Section 13. Effective Date. This Ordinance shall become effective immediately upon its passage by the City Council and approval by the Mayor.

**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**CHAPTER**

No. **AN ORDINANCE ESTABLISHING A TAX STABILIZATION AGREEMENT FOR PCHC BEAMAN AND SMITH MILL, LLC, LOCATED AT 335R PRAIRIE AVENUE**

*Be it ordained by the City of Providence:*

This agreement (“Agreement”) is made by and between the CITY OF PROVIDENCE, a Rhode Island municipal corporation (hereinafter “City”) and PCHC Beaman and Smith Mill, LLC (hereinafter “B&S”), (collectively, “the parties”).

WITNESSETH:

WHEREAS, B&S is the owner of certain real property located in the City of Providence at 335R Prairie Avenue, also known as Assessor’s Plat 48 Lot 1169; and

WHEREAS, B&S will complete the rehabilitation of the buildings, structures, and/or improvements on said property and return the same to productive commercial use in accordance with the rehabilitation/construction plans previously submitted to the City by B&S; and

WHEREAS, Under article 13, section 5 of the Rhode Island Constitution, the General Assembly retains exclusive power over matters relating to municipal taxation. Notwithstanding, and pursuant to § 44-3-9 of the Rhode Island General Laws, the General Assembly authorizes, subject to certain enumerated conditions, the City of Providence by and through its Town Council, for a period not to exceed twenty (20) years, to exempt or determine a stabilized amount of taxes to be paid on account of real and personal property; and

WHEREAS, the granting of the tax stabilization will inure to the benefit of the City of Providence and its residents by reason of:

- (A) The efforts of B&S, on behalf of Providence Community Health Centers (hereinafter “PCHC”), to retain or expand its facility in the city or town with an increase in employment or at a minimum not substantially reduce its work force in the city or town; and
- (B) The efforts of B&S, on behalf of Providence Community Health Centers (hereinafter “PCHC”), to improve the physical plant of the City which in turn will result in a long-term economic benefit to the City and State.

NOW THEREFORE, in consideration of the mutual agreements and promises set forth herein and other good and lawful consideration the receipt of which is hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS.

“Property” shall mean that certain real property together with any and all buildings, structures, and/or improvements now or in the future located in the City of Providence at 335R Prairie Avenue, also known as Assessor’s Plat 48 Lot 1169.

“Property Owner” shall mean B&S, its successors and/or assigns, or any entity with legal or equitable right and/or interest in and/or to the Property; however excluding: (i) holders of any security interests in the Property and (ii) tenants leasing space at the Property who are not required to pay any amount, in part or in whole, of the tax payments found herein pursuant to any lease agreement, in accordance with R.I. Gen. Law § 44-4-6.

## SECTION 2. TAX STABILIZATION.

Section 2.1. Grant. The City of Providence, in accordance with Rhode Island General Laws § 44-3-9 and the City of Providence Code of Ordinances, does hereby grant a tax stabilization in favor of the Property Owner with respect to the Property.

Section 2.2. Term. The tax stabilization term shall be the period commencing on December 31, 2015 and terminating on December 31, 2026. (Tax Years 2016- 2027).

Section 2.3. Plan. During the tax stabilization term as defined in Section 2.2 above, The City of Providence has determined the stabilized amount of taxes to be paid by the Property Owner with respect to the Property, notwithstanding the valuation of the Property or the rate of tax as follows: For tax years 2016-2027, the Property Owner shall make a tax payment in the amount of One hundred and twenty thousand and 00/100 Dollars (\$150,000.00).

Section 2.4. Payment Deadlines. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments at the discretion of the Property Owner. If the Property Owner elects to make quarterly installments, each quarterly installment shall be due on the same date that quarterly taxes are due for all other taxpayers in the City of Providence.

Section 2.5. Obligation of Property Owner to Make Payment. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be an obligation of the Property Owner.

Section 2.6. Non-Receipt of Stabilized Tax Bill. Failure by the City of Providence to send or failure by the Property Owner to receive a stabilized tax bill does not excuse the nonpayment of the stabilized tax or affect its validity or any action or proceeding for the collection of the tax in accordance with this Agreement or otherwise.

Section 2.7. Recording of Agreement, Running with Land. Upon execution and delivery of this Agreement and after ratification of this Agreement by City Council by resolution, the Property Owner shall cause this Agreement and Providence City Council's resolution ratifying same to be recorded at its expense in the official public land evidence records of the City of Providence, within thirty (30) days of the execution and delivery aforementioned. This recording shall be construed to provide a complete additional alternative method under contract law for the securitization of payments due and owing under this Agreement and shall be regarded as supplemental and in addition to the powers conferred by other state and local laws.

## SECTION 3. TRANSFER OF THE PROPERTY.

Stabilized tax payments shall be an obligation of the Property Owner during the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, without regard for any transfer of the Property. Additionally, the burdens and benefits of this Agreement will run with the land, and as for payment of real estate taxes shall run in favor of the City of Providence regardless of any transfer of ownership. The Property Owner agrees to provide written notice to the City of Providence prior to any transfer of the Property so that the City of Providence may make a

determination, in its sole discretion, as to whether or not stabilization under this Agreement will continue. Moreover, the Property Owner agrees not to transfer the property to a tax exempt entity, unless such transfer is assented to by the City of Providence in writing. The terms of this section shall apply, unless the Property Owner and any subsequent purchaser sign an additional future agreement presented to them by the City binding the subsequent purchaser to the terms of this Agreement

#### SECTION 4. FURTHER ASSURANCES.

Subsequent to the execution of this agreement, if any further (1) new construction (for the purposes of this Agreement “new construction” refers to what is known as ground-up construction, such as new structures on vacant land, or construction of additional stories on existing structures) or (2) substantial rehabilitation, as defined in HUD Handbook 4460.1, ch. 4, ¶ 4-2 §§ 1, 2(a), takes place at or on the Property, then and only then will this Section 4 titled “Further Assurances” or any and all of its subsections apply.

Section 4.1. MBE/WBE. The Property Owner shall make a good faith effort to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 31- 14.1 (“MBE Act”) no less than 10% of the dollar value of the construction costs for the rehabilitation of the Property. The Property Owner shall make a good faith effort to award to Women Business Enterprises (WBE’s) no less than 10% of the dollar value of the construction costs for the Property (as determined in accordance with Section 21-52 of the Code of Ordinances of the City of Providence). The Property Owner will request the City MBE/WBE office and its Supplier Diversity Director to establish a list of qualified MBE/WBE companies in order to satisfy its MBE/WBE construction goals. In this manner, the City will assist the Property Owner in meeting said goals. The process of participating with the MBE/WBE office and its Supplier Diversity Director shall begin upon the effective date of this Agreement in order to develop a designated MBE/WBE subcontractor list which will encourage MBE/WBE participation and joint ventures with other members with the construction industry.

Section 4.2. Apprenticeship. The Property Owner shall ensure that at least fifty percent (50%) of the hours worked on the Property shall be performed by trade construction subcontractors who have or are affiliated with an apprenticeship program as defined in 29 C.F.R. § 29 et seq.

The Property Owner shall make a requirement in the contracts between its Construction Manager and General Contractor and their subcontractors who have apprenticeship programs as defined in 29 C.F.R. § 29 that not less than ten percent (10%) of the total hours worked by the subcontractors’ employees on the Property are completed by apprentices registered in the aforementioned apprenticeship programs.

The Property Owner shall as part of its contracts between its Construction Manager and General Contractor and their subcontractors require that the subcontractors submit to the Department of Planning and Development quarterly verification reports to ensure compliance with this section.

The Property Owner, its Construction Manager or General Contractor or other authorized person/entity may petition the City of Providence Department of Planning and Development to adjust the apprenticeship work hour requirements to a lower percentage upon a showing that:

- a. compliance is not feasible because a trade or field does not have an apprenticeship program or cannot produce members from its program capable of performing the scope of work within the contract; or
- b. compliance is not feasible because it would involve a risk or

- danger to human health and safety or the public at large; or
- c. compliance is not feasible because it would create a significant economic hardship; or
- d. compliance is not feasible for any other reason which is justifiable and demonstrates good cause.

Section 4.3. Internal Revenue Service reporting. Except as provided under Rhode Island General Laws § 28-42-8, any person performing services at the Property shall annually receive either a W-2 statement or an IRS Form 1099.

Section 4.4. First Source. Pursuant to the City of Providence First Source Ordinance, the Property Owner shall enter into a First Source Agreement covering the hiring of employees necessary to complete the proposed work and throughout the term of this Agreement. The Property Owner shall work in conjunction with the Director of First Source Providence to develop the First Source Agreement.

Section 4.5. "Buy Providence" Initiative. The Property Owner will use good faith efforts to ensure that construction materials for the Property are purchased from economically competitive and qualified vendors located in the City of Providence. In furtherance of this effort, the Property Owner will work with the City to develop a list of Providence vendors and subcontractors in order to create a preferred vendor list of qualified and economically competitive vendors for the construction on the Property. Furthermore, once the Property Owner constructs the development, the Property Owner will use good faith efforts to conduct ongoing business with and provide preference to economically competitive and qualified Providence businesses. In order to further that effort, the Property Owner will hold seminars upon ratification of this Agreement, with the Providence MBE/WBE office, the Supplier Diversity Director, the Director of First Source Providence and the Providence Chamber of Commerce to inform the local economy of the Property Owner's development plans in order to maximize the opportunities for Providence businesses to work with the Property Owner in providing on-going services, equipment and materials.

## SECTION 5. DEFAULT.

The following events shall constitute an event of default hereunder to the extent that such events described below continue beyond any applicable notice and cure period set forth in Section 6:

- (A) Failure of the Property Owner to pay any amount due under or with respect to the tax stabilization in accordance with Section 2 above; or
- (B) Failure of the Property Owner to record this Agreement, or the City Council's Resolution Ratifying this Agreement, as required by and in accordance with Section 2 above; or
- (C) Failure of the Property Owner to notify the City of Providence prior to any transfer of the Property, in accordance with Section 3 above; or
- (D) Failure of the Property Owner to comply with Section 4 above, if only by its own terms should it apply; or
- (E) Failure of the Property Owner to comply with any other material obligation or promise contained within any section or subsection of this Agreement; or
- (F) Failure of the Property Owner to materially comply with all state and local law regarding building and property maintenance codes, zoning ordinances, and building and trade permits; or
- (G) Failure of the Property Owner to remain current on any and all other financial obligations owed to the City of Providence.

## SECTION 6. NOTICE AND CURE.

Section 6.1. Notice and Cure Period. The City of Providence shall

provide written notice to the Property Owner before exercising any of its rights and remedies under Section 7 below. The Property Owner shall have thirty (30) days from its receipt of written notice from the City to cure any alleged default under this Agreement, provided, however, that if the curing of such default cannot be accomplished with due diligence within said period of thirty (30) days, then the Property Owner shall request an additional reasonable period of time from the City of Providence to cure such default as may be necessary provided that the Property Owner shall have commenced to cure such default within said period, such cure shall have been diligently pursued by the Project Owner and the City of Providence does not reasonably deem the taxes jeopardized by such further delay, all as determined by the City of Providence in its sole discretion.

Section 6.2. Agreed Upon Address for Purposes of Written Notice. All notices, requests, consents, approvals, and any other communication which may or are required to be served or given (including changes of address for purposes of notice) shall be in writing and shall be sent registered or certified mail and addressed to the following parties set forth below:

Original to:

City of Providence  
Office of the City Clerk  
25 Dorrance St.  
Providence, RI 02903

\*Accompanied by 9 copies thereof

Original to:

PCHC Beaman and Smith Mill, LLC  
375 Allens Avenue  
Providence, RI 20905

Diana M. Ducharme, Esq.  
Hinckley Allen  
100 Westminster Street, Suite 1500  
Providence, RI 02903

## SECTION 7. RIGHTS AND REMEDIES.

Section 7.1. Retroactive Revocation of Tax Stabilization. In the event of default under this Agreement which remains uncured after the notice and cure period set forth in Section 6 above, the Property Owner shall pay to the City of Providence an amount equal to the difference between the stabilized tax payments made under this Agreement and the amount of Property taxes that would have been assessed and paid during the tax stabilization term as defined in Section 2.2 above, but for this Agreement. The entire retroactive tax obligation will become due and owing on the same date that the next quarterly taxes are due for all other taxpayers in the City of Providence.

Section 7.2. Collection of Taxes. At any time during the tax stabilization term as defined in Section 2.2 of this Agreement the City of Providence may pursue any and all rights and remedies arising under any state or local law, including but not limited to Chapters 7-9 of Title 44, and/or arising under this Agreement to collect stabilized taxes due and owing in accordance with the tax stabilization plan outlined in Section 2.3 above and/or to collect retroactive taxes pursuant to Section 7.1 above.

Section 7.3. City's Lien Remedies and Rights. Nothing herein contained shall restrict or limit the City's rights and/or remedies with respect to its first priority lien for taxes as provided under Title 44 of the Rhode Island General Laws. Rather, this Agreement shall be construed to provide a complete additional alternative method under contract law for the collection of taxes, and shall be regarded as supplemental and in addition to the powers

conferred by other state and local laws.

Section 7.4. Property Owner's Rights. During the tax stabilization term as defined in Section 2.2 the Property Owner agrees to waive and forever forgo any and all of its rights and privileges under Title 44 of the Rhode Island General Laws as those rights and privileges pertain to the tax payments made pursuant to this Agreement. Nothing herein shall be construed to limit the right of the Property Owner to pursue its rights and remedies under the terms of this Agreement.

Section 7.5. Waiver. Failure or delay on the part of the City of Providence to exercise any rights or remedies, power or privilege at any time under this Agreement or under any state or local law shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege thereunder.

Section 7.6. Joint and Several Liability. In the event of default under this Agreement B&S agrees to remain jointly and severally liable with any and all Property Owners, unless any subsequent Property Owner agrees to execute a transfer affidavit binding themselves to the terms of this agreement.

## SECTION 8. MISCELLANEOUS TERMS.

Section 8.1. Monitoring Fee. The Property Owner shall remit a monitoring/compliance fee to the City in the amount of 0.01 percent of the cost of the project annually for the term of this Agreement.

Section 8.2 Agreement to Contribute to Parks and Recreation Trust Fund. Upon passage of this Ordinance by the City Council, the Property Owner shall contribute to a Trust Fund established by the City of Providence, of which the Treasurer shall be the trustee. The Fund shall be identified as the "City Council Parks and Recreation Fund." The City Council shall establish regulations pertaining to the disbursement of funds.

- (a) Payments to the Fund. The Property Owner shall make annual payments to the Fund in the amount of 5 (five) percent of the total estimated abated tax for the term of the tax stabilization agreement, for as long as this Agreement is in full force and effect. Said annual payments will be payable on the last day of each subsequent tax year after the Commencement Date. If, for any reason, this Agreement is retroactively revoked, the payments to the fund shall remain and will not be forfeited back to the Property Owner due to a default.
- (b) Investment and Distribution of the Fund. The trust fund will be invested by the Board of Investment Commissioners, and an annual distribution of the investment shall be used to provide funds to the Department of Parks and to the Department of Recreation for capital improvements in neighborhood parks and recreation centers. Said annual distribution shall not supplant any funds that are provided to the Department of Parks and the Department of Recreation through the operating budget. Distributions may never exceed the earnings in the year of distribution or reduce the corpus of the fund. The first payment from the fund shall begin in the fifth year after the establishment of the fund.

Section 8.3. Annual Progress Report. The Property Owner shall provide annual reports to the City of Providence on its progress in complying with the provisions of this Agreement. Specifically, said report shall include a performance report on rehabilitation and/or improvements with evidence of final construction costs, status of stabilized tax payments, evidence of employment compliance pursuant to Section 4 above (should it apply), and

overall financial well-being. Upon receipt and review, the City of Providence may require and request additional information.

Section 8.4. Severability. The sections of this Agreement are severable, and if any of its sections or subsections shall be held unenforceable by any court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining sections or subsections.

Section 8.5. Applicable Law. This Agreement shall be construed under the laws of the State of Rhode Island, the City of Providence Home Rule Charter, and the City of Providence Code of Ordinances, as amended.

Section 8.6. Modifications Amendments and/or Extensions. This Agreement shall not be modified, amended, extended or altered in any way by oral representations made before or after the execution and ratification by Providence City Council of this Agreement. Any and all modifications, amendments, extensions or alterations must be in writing duly executed by all parties and ratified by Providence City Council.

Section 8.7. Entire Agreement. This Agreement and all attachments, addendums, and/or exhibits attached hereto shall represent the entire agreement between City and the Property Owner and may not be amended or modified except as expressed in this document.

Section 8.8. Effective Date. This Agreement shall only take effect upon ratification by the Providence City Council by Resolution.

IN WITNESS WHEREOF, B&S and CITY have executed this Agreement.

PCHC BEAMAN AND SMITH MILL, LLC	CITY OF PROVIDENCE
By: B & S Mill, Inc., Its Manager By: _____ Authorized Signature  Print Name: <u>Merrill R. Thomas</u>  Title: <u>President</u>  Address: <u>PCHC Beaman and Smith Mill, LLC</u> <u>375 Allens Avenue</u> <u>Providence, RI 02905</u>  Date: _____	By: _____ Authorized Signature  Print Name: <u>Jorge O. Elorza</u>  Title: <u>Mayor of Providence</u>  Address: <u>City Hall</u> <u>25 Dorrance Street</u> <u>Providence,</u> <u>RI 02903</u>  Date: _____ Approved as to form and correctness: _____ Jeffrey T. Dana, City Solicitor

**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**CHAPTER**

No. **AN ORDINANCE ESTABLISHING A TAX EXEMPTION AND STABILIZATION PLAN FOR THE ASPEN GROUP, INC., FOR 220 BLACKSTONE STREET AND 220 BLACKSTONE STREET REAR**

*Be it ordained by the City of Providence:*

WHEREAS, The Aspen Group, Inc. will be the owner of certain real property known as 220 Blackstone Street and 220 Blackstone Street Rear, in Providence, Rhode Island, located at Assessor's Plat 45, Lots 85 & 797; and

WHEREAS, The Aspen Group, Inc. has proposed and committed to construct two (2) 50,000 square foot structures on the property thereby redeveloping approximately 100,000 square feet of commercial space to be used as professional offices, medical offices, and other uses as permitted under the City zoning ordinances, thus returning the property to productive commercial use in accordance with the construction plans already submitted to the City by The Aspen Group, Inc.; and

WHEREAS, Under Article 13, Section 5 of the Rhode Island Constitution, the General Assembly retains exclusive power over matters relating to municipal taxation. Notwithstanding, and pursuant to Rhode Island General Laws § 44-3-9, the General Assembly has authorized the City of Providence, acting through its City Council and subject to certain enumerated conditions, to exempt or determine a stabilized amount of taxes to be paid on account of real and personal property for a period not to exceed twenty (20) years; and

WHEREAS, pursuant to the Providence Code of Ordinances, as amended, specifically Chapter 21, Article VIII, Section 21-169, the granting of the tax stabilization will inure to the benefit of the City of Providence and its residents by reason of:

- (A) The willingness of The Aspen Group, Inc. to relocate its commercial concern to the City of Providence; and
- (B) The willingness of The Aspen Group, Inc. to replace the existing buildings and facilities that were located on the property prior, thereby increasing the tax base of the City of Providence; and
- (C) The willingness of The Aspen Group, Inc. to construct two (2) new 50,000 square foot buildings/facilities on the property, thereby increasing employment opportunities in the City of Providence.

NOW THEREFORE, in consideration of the mutual agreements and promises set forth herein and other good and lawful consideration the receipt of which is hereby acknowledged, the parties agree as follows:

**SECTION 1. DEFINITIONS.**

"Property" shall mean certain real property together with any and all buildings, structures, and/or improvements now or in the future at 220 Blackstone Street and 220 Blackstone Street Rear, in Providence, Rhode Island, located at Assessor's Plat 45, Lots 85 & 797.

"Property Owner" shall mean The Aspen Group, Inc., or any entity with legal or equitable right and/or interest in and/or to the Property, including any and all successors and assigns. For purposes of this agreement, The Aspen Group, Inc. shall mean The Aspen Group, Inc. or entity taking title to the Property in which The Aspen Group, Inc. has an ownership interest in or control over.

“Agreement/Ordinance” shall mean this instrument and the two words shall be used interchangeably to refer to the mutually-agreed upon provisions contained herein which bind both the City as well as the Property Owner as it is defined above.

## SECTION 2. TAX STABILIZATION.

Section 2.1. Grant. The City, in accordance with R.I.G.L. § 44-3-9 and the City of Providence Code of Ordinances, does hereby grant an eighteen (18) year tax stabilization in favor of the Property Owner with respect to the Property.

Section 2.2. Term. The tax stabilization term shall be the period commencing on the date on which The Aspen Group, Inc. acquires title to the Property (hereinafter the “Commencement Date”) and terminating eighteen years after the Commencement Date (hereinafter the “Termination Date”). (Total of Eighteen (18) Tax Years).

Section 2.3. Plan. During the tax stabilization term as defined in Section 2.2 above, the City has determined the stabilized amount of taxes to be paid by the Property Owner with respect to the Property, notwithstanding the valuation of the Property or the then-current rate of tax as follows: Subject to the provisions of Section 2.3.a., for the first three (3) tax years, the Property Owner shall make a tax payment equal to Zero dollars (\$0.00). For the subsequent five (5) tax years, the Base Assessment shall be defined as \$2,050,000.00; and the Property Owner shall make a tax payment equal to Eighty Five Thousand Nine Hundred Eighty-Three and XX/100 dollars (\$85,983.00). For the remaining ten (10) tax years thereafter, the Property Owner will pay the Base Assessment Tax (Base Assessment multiplied by \$36.70 per \$1000 in assessment value) plus a percentage of the taxes due and owing on the difference between the Base Assessment and then-current assessed value of the Property multiplied by the then-current rate plus Ten Thousand Seven Hundred Forty-Eight and XX/100 Dollars (\$10,748.00) (the “Recapture Payment”). See “Tax Stabilization Plan” incorporated herein as if fully reproduced and attached hereto and as Exhibit A.

Section 2.4. Payment Deadlines. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments at the discretion of the Property Owner. If the Property Owner elects to make quarterly installments, each quarterly installment shall be due on the same date that quarterly taxes are due for all other taxpayers in the City of Providence.

Section 2.5. Obligation of Property Owner to Make Payment. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be an obligation of the Property Owner.

Section 2.6. Non-Receipt of Stabilized Tax Bill. Failure by the City to send or failure by the Property Owner to receive a stabilized tax bill does not excuse the nonpayment of the stabilized tax nor affect its validity or any action or proceeding for the collection of the tax in accordance with this Agreement or otherwise.

Section 2.7. Recording of Ordinance, Running with Land. Upon the passage of this Ordinance, the Property Owner shall cause this Ordinance to be recorded at its expense in the City’s official public land evidence records. This recording shall be construed to provide a complete additional alternative method under contract law for the securitization of payments due and owing under this Ordinance and shall be regarded as supplemental and in addition to the powers conferred by other state and local laws.

## SECTION 3. PERFORMANCE OBLIGATIONS.

### Section 3.1. Commencement of Performance.

Rehabilitation and/or construction of any structures on the Property shall commence and be completed as provided for in the Purchase and Sale Agreement dated February 19,

2016 between the Providence Redevelopment Authority and The Aspen Group, Inc. (the P&S).

Section 3.2. Permits and Certificates of Occupancy.

Property Owner shall obtain all permits and certificates of occupancy as required by state and local law in connection with any and all intended construction or rehabilitation at the Property.

SECTION 4. TRANSFER OF THE PROPERTY.

Section 4.1. Transfer Generally. Transfers of the Property, or any interest therein, of the Property Owner, or any interest therein shall be done in accordance with the terms of the purchase and sales agreement executed by and between The Providence Redevelopment Agency and The Aspen Group, Inc. dated February 19, 2016 and approved and ratified by the Providence City Council on May 19, 2016, the approved bargain and sales deed, or the exhibits incorporated into either document (hereinafter collectively the “purchase and sales agreement”). The terms of this Tax Stabilization Agreement shall in no way be effected by any transfer contemplated by said purchase and sales agreement and the tax payments due hereunder shall continue to be due and owing in accordance with the terms of this Agreement regardless of ownership of the Property or the Property Owner.

Section 4.3. Post-Expiration Transfers. In so far as the purchase and sales agreement does not contemplate or provide guidance for transfers which may occur after a certificate of occupancy is issued to the Property, in the event that any Property Owner transfers the Property to a tax-exempt entity within five years from the end of the tax stabilization term, as defined in Section 2.2 above, any and all Property Owners will pay the following: five percent (5%) of the sale price in said transfer if sold to a tax-exempt entity in the first year following the end of the Term; four percent (4%) of the sale price in said transfer if sold to a tax-exempt entity in the second year following the end of the Term; three percent (3%) of the sale price in said transfer if sold to a tax-exempt entity in the third year following the end of the Term; two percent (2%) of the sale price in said transfer if sold to a tax-exempt entity in the fourth year following the end of the Term; and one percent (1%) of the sale price in said transfer if sold to a tax-exempt entity in the fifth year following the end of the Term.

SECTION 5. FURTHER ASSURANCES.

Section 5.1. MBE/WBE. Where found to be applicable and for any of the terms of the stabilization period as defined in Section 4.A. above, the Property Owner afforded the stabilization of taxes as described herein shall comply with any and all requirements under Chapter 21 Article II Section 52 of the Providence Code of Ordinances as it pertains to Minority and Women Business Enterprises.

Section 5.2. Internal Revenue Service reporting. Except as provided under R.I.G.L. § 28-42-8, any person performing services at the Property shall annually receive either a W-2 statement or an IRS Form 1099.

Section 5.3. First Source. Where found to be applicable and for the term of the stabilization period as defined in Section 2.2 above, the Property Owner afforded the stabilization of taxes as described herein shall enter into a First Source Agreement with the Director of First Source Providence in accordance with Chapter 21 Article III1/2 of the Providence Code of Ordinances

Section 5.4. "Buy Providence" Initiative. Where found to be applicable and for the term of the stabilization period as defined in Section 2.2 above, the Property Owner afforded the stabilization of taxes as described herein shall make a good faith effort to ensure that any and all materials necessary to carry out the projects afforded the stabilization found in Section 2.3 above are purchased from economically competitive and qualified vendors located in the City of Providence, to the extent such materials can be purchased in the

City of Providence.

Section 5.5. Apprenticeship. The Property Owner shall ensure that one hundred percent (100%) of the hours worked on the project shall be performed by contractors who have or are affiliated with an apprenticeship program as defined in 29 C.F.R. § 29 et seq. Up to twenty (20) percent of the hourly requirement may be waived if replaced with hours worked by qualified MBE/WBE companies registered in the State of Rhode Island. Certification of this waiver shall be reviewed and signed by the designated MBE/WBE coordinator within the department of purchasing. The Property Owner shall make a requirement in the contracts between its construction manager and general contractor and their subcontractors who have apprenticeship programs as defined in 29 C.F.R. § 29 that not less than ten (10) percent of the total hours worked by the subcontractors' employees on the project are completed by apprentices registered in the aforementioned apprenticeship programs.

The Property Owner shall as part of its contracts between its construction manager and general contractor and their subcontractors require that the subcontractors submit to the department of planning and development quarterly verification reports to ensure compliance with this section.

The Property Owner, its construction manager or general contractor or other authorized person/entity may petition the city department of planning and development to adjust the apprenticeship work hour requirements to a lower percentage upon a showing that:

- a. Compliance is not feasible because a trade or field does not have an apprenticeship program or cannot produce members from its program capable of performing the scope of work within the contract; or
- b. Compliance is not feasible because it would involve a risk or danger to human health and safety or the public at large; or
- c. Compliance is not feasible because it would create a significant economic hardship; or
- d. Compliance is not feasible for any other reason which is justifiable and demonstrates good cause.

## SECTION 6. DEFAULT.

The following events shall constitute an event of default hereunder:

- (A) Failure of the Property Owner to pay any amount due under or with respect to the tax stabilization in accordance with Section 2 above; or
- (B) Failure of the Property Owner to record this Agreement as required by and in accordance with Section 2 above; or
- (C) Failure of the Property Owner to meet any of the performance obligations set forth in Section 3 above; or
- (D) Failure of the Property Owner to annually report as required by Section 9 below; or
- (E) Failure of the Property Owner to notify the City in writing prior to the transfer of the Property; or
- (F) Transfer of the Property by the Property Owner outside of the terms of this Agreement; or
- (G) Failure of the Property Owner to comply with Section 5 above; or
- (H) Failure of the Property Owner to comply with any other obligation or promise contained within any section or subsection of this Agreement; or
- (I) Failure of the Property Owner to comply with all state and local law regarding building and property maintenance codes, zoning ordinances, and building and/or trade permits; or
- (J) Failure of the Property Owner to remain current on any and all other financial obligations which would affect the priority of the lien created under this Agreement.

## SECTION 7. NOTICE AND CURE.

Section 7.1. Notice and Cure Period. The City shall provide written notice to the Property Owner before exercising any of its rights and remedies under Section 8 below. The

Property Owner shall have ninety (90) days to cure any alleged default under this Agreement, provided, however, that if the curing of such default cannot be accomplished with due diligence within ninety (90), then the Property Owner shall request an additional reasonable period of time from the City to cure such default as may be necessary provided that the Property Owner shall have commenced to cure such default within said period, such cure shall have been diligently pursued by the Project Owner and the City does not reasonably deem the taxes jeopardized by such further delay, all as determined by the City in its sole and reasonable discretion

Section 7.2. Agreed Upon Address for Purposes of Written Notice. All notices, requests, consents, approvals, and any other communication which may be or are required to be served or given (including changes of address for purposes of notice) shall be in writing and shall be sent registered or certified mail and addressed to the following parties set forth below:

If to:                   City of Providence  
                               Office of the City Clerk  
                               25 Dorrance St.  
                               Providence, RI 02903  
                               \*Accompanied by 9 copies

If to:                    The Aspen Group, Inc.  
                               100 Riverpark Drive  
                               North Reading, MA 01864

## SECTION 8. RIGHTS AND REMEDIES.

Section 8.1. Retroactive Revocation of Tax Stabilization. In the event of a default under this Agreement which remains uncured after the notice and cure period set forth in Section 7 above, the Property Owner shall pay to the City an amount equal to the difference between the stabilized tax payments made under this Agreement and the amount of Property taxes that would have been assessed and paid during the tax stabilization term as defined in Section 2.2 above, but for this Agreement. The entire retroactive tax obligation will become due and owing on the same date that the next quarterly taxes are due for all other taxpayers in the City.

Section 8.2. Collection of Taxes. At any time during the tax stabilization term as defined in Section 2.2 of this Agreement, the City of Providence may pursue any and all rights and remedies arising under any state or local law, including but not limited to Chapters 7-9 of Title 44, and/or arising under this Agreement to collect stabilized taxes due and owing in accordance with the tax stabilization plan outlined in Section 2.3 above and/or to collect retroactive taxes pursuant to Section 8.1 above.

Section 8.3. City's Lien Remedies and Rights. Nothing herein contained shall restrict or limit the City's rights and/or remedies with respect to its first priority lien for taxes as provided under Title 44 of the Rhode Island General Laws. Rather, this Agreement shall be construed to provide a complete additional alternative method under contract law for the collection of taxes, and shall be regarded as supplemental and in addition to the powers conferred by other state and local laws.

Section 8.4. Property Owner's Rights. During the tax stabilization term as defined in Section 2.2, the Property Owner agrees to waive and forever forgo any and all of its rights and privileges under Title 44 of the Rhode Island General Laws, as they pertain to the Tax Payments due and owing pursuant to this Agreement. Nothing herein shall be construed to limit the right of the Property Owner to pursue its rights and remedies under the terms of this Agreement.

Section 8.5. Waiver. Failure or delay on the part of the City to exercise any rights or remedies, powers or privileges at any time under this Agreement or under any state or local law shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power of privilege thereunder.

Section 8.6. Joint and Several Liability. In the event of default under this Agreement The Aspen Group, Inc. agrees to remain jointly and severally liable with any and all Property Owners.

## SECTION 9. MISCELLANEOUS TERMS.

Section 9.1. Annual Progress Report. The Property Owner shall provide annual reports to the City Council on its progress in complying with the provisions of this Agreement. Specifically, its report shall include a performance report on rehabilitation and/or improvements with evidence of final construction costs, status of stabilized tax payments, evidence of compliance pursuant to Section 5 above, and overall financial well-being. Upon receipt and review, the City Council may require and request additional information.

Section 9.2. Monitoring Fee. The Property Owner shall remit a monitoring/compliance fee to the City in the amount of 0.01 percent of the cost of the project annually for the term of this Agreement.

Section 9.3. Agreement to Contribute to Parks and Recreation Trust Fund. Upon passage of this Ordinance by the City Council, the Property Owner shall contribute to a Trust Fund established by the City of Providence, of which the Treasurer shall be the trustee. The Fund shall be identified as the “City Council Parks and Recreation Fund.” The City Council shall establish regulations pertaining to the disbursement of funds.

- (a) Payments to the Fund. The Property Owner shall make annual payments to the Fund in the amount of 5 (five) percent of the total estimated abated tax for the term of the tax stabilization agreement, for as long as this Agreement is in full force and effect. Said annual payments will be payable on the last day of each subsequent tax year after the Commencement Date. If, for any reason, this Agreement is retroactively revoked, the payments to the fund shall remain and will not be forfeited back to the Property Owner due to a default.

Section 9.4. Severability. The sections of this Agreement are severable, and if any of its sections or subsections shall be held unenforceable by any court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining sections or subsections.

Section 9.5. Applicable Law. This Agreement shall be construed under the laws of the State of Rhode Island, the City of Providence Home Rule Charter, and the City of Providence Code of Ordinances, as amended.

Section 9.6. Modifications Amendments and/or Extensions. This Agreement shall not be modified, amended, extended or altered in any way by oral representations made before or after the execution of this Agreement. Any and all modifications, amendments, extensions or alterations must be in writing duly executed by all parties.

Section 9.7. Entire Agreement. This Agreement and all attachments, addenda, and/or exhibits attached hereto shall represent the entire agreement between City and the Property Owner and may not be amended or modified except as expressed in this document.

Section 9.8. Effective Date. This Agreement shall take effect upon passage of this Ordinance by the Providence City Council, and approval by the Mayor. The tax stabilization term shall be effective in accordance with the terms and provisions herein.

**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**CHAPTER**

No.       **AN ORDINANCE FORMALLY ESTABLISHING A TAX-EXEMPT STATUS FOR JEWISH FAMILY SERVICES, INC.**

*Be it ordained by the City of Providence:*

WHEREAS, Jewish Family Service, Inc. (hereinafter "JFS") is in the process of acquiring the real property and the improvements thereon located on Assessor's Plat 73 Lot 584 commonly known as 1165 North Main Street, in Providence, Rhode Island (hereinafter "The Property"); and

WHEREAS, JFS is an organization incorporated under chapter 6 of title 7, as amended, and therefore a not-for-profit organization; and

WHEREAS, JFS has, since its incorporation in 1929, committed to its mission for the purpose of doing family welfare work, child welfare work, and other social welfare and charitable work throughout the City of Providence and State of Rhode Island; and

WHEREAS, The Providence City Council has the authority, pursuant to Rhode Island General Laws Title 44 Chapter 3 Section 3(a)(25), to formally recognize the exemption from municipal taxation of "any real or personal property owned by, held in trust for, or leased to an organization incorporated under chapter 6 of title 7, as amended"; and

WHEREAS, The Providence City Council recognizes that the mission and goals of JFS are to provide their welfare services to the poorest and most vulnerable sectors of society regardless of their ability to pay.

NOW, THEREFORE BE IT ORDAINED:

Section 1. Exemption. That the Property and any other real and personal property owned by, held in trust for, or leased to JFS in the City of Providence shall be exempt from municipal taxation levied under R.I. Gen. Laws § 44-5-1 et seq.

Section 2. Effective Date. That this formal action and recognition shall take effect upon passage of this ordinance by the Providence City Council, and approval by the Mayor and shall apply to the Property for all tax payments then due and owing as of the date of transfer to JFS.

# RESOLUTION OF THE CITY COUNCIL

*No.*

WHEREAS, The City of Providence, Rhode Island (the “City”), a body politic and corporate duly organized and existing as a political subdivision and municipal corporation of the State of Rhode Island (the “State”) is authorized by the laws of the State to purchase, acquire and lease personal property for the benefit of the City and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, The City desires to enter into agreements for the acquisition, construction, equipping, and installation of energy efficiency improvements in municipal and school buildings, including but not limited to energy system retrofitting and building envelope improvements at the Davey Lopes Recreation Center, boiler replacement and heating, ventilation and air conditioning upgrades at the Roger Williams Park Museum of Natural History and Planetarium, and heating, ventilation and air conditioning upgrades and Information Technology room improvements at the Joseph A. Doorley, Jr. Administration Building, replacement of boilers in heating plant with high efficiency condensing boilers at Central High School, Juanita Sanchez Educational Complex, and Pleasant View Elementary School, replacement of heat exchangers in main building, gym and auditorium with condensing boilers at Classical High School, replacement of classroom unit ventilators at Dr. Martin Luther King Elementary School, replacement of boiler at Nathanael Greene Elementary School, retrofit of auditoriums with light emitting diode technology at Nathanael Greene Elementary School, Roger Williams Middle School and Gilbert Stuart Middle School, replacement of classroom unit ventilators at Vartan Gregorian Elementary School, replacement of fan coil units at Asa Messer at Samuel W. Bridgham Middle School, and electrical upgrades at Harry Kizirian Elementary School, West Broadway Middle School, and Kennedy Elementary School, and all attendant expenses, including but not limited to engineering costs in order to achieve energy savings and cost savings (the "Projects"); and

WHEREAS, The City desires to enter into agreements for the maintenance of the Projects; and

WHEREAS, The Projects are necessary for the City to perform essential governmental functions; and

WHEREAS, City desires to take the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the implementation of the Projects.

NOW, THEREFORE, BE IT RESOLVED THAT:

SECTION 1. The sum of \$5,124,500 is appropriated to finance the Projects. The City Council hereby authorizes the City Treasurer and the Mayor, acting on behalf of the City, to finance the Projects through a Lease Purchase Agreement or other Appropriation Obligation and related documents, including agreements with third-party maintenance providers (the "Financing Documents"), subject to annual appropriation therefor by the City.

SECTION 2. The form and other details, terms and conditions of the Financing Documents shall be fixed by the City Treasurer and the Mayor. The City Treasurer and the Mayor are authorized to enter into financing agreements with the Rhode Island Infrastructure Bank (the "RIIB") in accordance with chapter 46-12.2 of the general laws to evidence loans from the efficient buildings revolving fund administered by the RIIB.

SECTION 3. The City Treasurer and the Mayor, each acting singly, is hereby authorized to enter into the Financing Documents and said officers are hereby authorized and instructed to take all actions, and to execute and deliver the Financing Documents and any related agreements, certificates and other documents in such form as they may deem necessary or desirable to implement the Projects. To the extent that the Financing Documents contemplate tax-exempt financing, such officers are also authorized to take all action, on behalf of the City, necessary to insure that the interest component of the lease payments or other appropriation obligation payments will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause the interest component of the lease payments or other appropriation obligation payments to become subject to federal income taxes.

SECTION 4. Nothing contained in this Resolution, the Financing Documents or any other instrument shall be construed with respect to the City as incurring a pecuniary liability or charge upon the general credit of the City or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Financing Documents or any other instrument or document executed in connection therewith impose any pecuniary liability upon the City or any charge upon its general credit or against its taxing power, except to the extent that the payments payable under the Financing Documents are special limited obligations of the City.

SECTION 5. This Resolution is an affirmative action of the City Council toward the execution and delivery of the Financing Documents 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 the City's General Fund for certain capital expenditures paid on or after the date which is sixty (60) days prior to the date of this Resolution, but prior to the execution and delivery of the Financing Documents. Such amounts to be reimbursed shall not exceed \$5,124,500 and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid or (b) the date the property is placed in service or abandoned, but in no event later than three (3) years after the date the expenditure is paid.

SECTION 6. The Mayor and the Director of Finance are authorized to take all actions necessary to comply with federal tax and securities laws including Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and to execute and deliver a Continuing Disclosure Certificate in connection with the Bonds in the form as shall be deemed advisable by the Mayor and the Director of Finance in order to comply with the Rule. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, as it may be amended from time to time. Notwithstanding any other provision of this Resolution or the Bonds, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any bondholder 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 Section and under the Continuing Disclosure Certificate.

SECTION 7. This Resolution shall take effect upon its passage.

**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

*No.*

RESOLVED, That the Members of the Providence City Council hereby Authorize Approval of the following Change Order Contract Award by the Board of Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.

D'Ambra Construction (Parks Department)	\$113,060.25
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**City of Providence**  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

*No.*

***RESOLVED***, That the Members of the Providence City Council hereby Authorize Approval of the following Two Year Extension Contract Award by the Board of Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.

Waste Management  
(Public Works)

\$6.37 million for FY 2019