

DEPARTMENT OF CITY CLERK

CITY HALL

AUGUST 4, 1986

The Committee on Urban Redevelopment, Renewal and Planning, meets this day at 6:00 o'clock p.m., in the Department of City Clerk, City Hall.

Present: Councilman Thomas F. O'Connor, Jr., Chairman, Councilman Dillon and Councilwoman Brassil.

Also present are Arthur J. Markos, Director of Development, Thomas Moses, Planning and Development, Helen Priske, Planning and Development and Michael R. Clement, Assistant Clerk.

RELATIVE TO RESOLUTION AUTHORIZING THE CITY COUNCIL OF THE CITY OF PROVIDENCE, RHODE ISLAND, TO FILE A STATEMENT OF OBJECTIVES AND FUNDING UNDER THE HOUSING AND COMMUNITY DEVELOPMENT ACT.

Chairman O'Connor opens the meeting by informing the membership present that he has informed that the Community Development Block Grant is due to be sent off to Washington for its approval and that he has invited Arthur J. Markos and his assistants from the Department of Planning and Development, to give the committee a summary of what this year's statement of objectives are, and its budget categories are, therefore at this time I would call on Mr. Arthur J. Markos to give the Committee a summary of the twelfth year block grant and what it entails. Mr. Markos steps forward and states what the statements of objectives are, for complete verbatim see below:

CITY OF PROVIDENCE  
COMMUNITY DEVELOPMENT BLOCK GRANT

STATEMENT OF OBJECTIVES  
12TH PROGRAM YEAR

Arthur J. Markos  
Director

Joseph R. Paolino, Jr.  
Mayor

## DEPARTMENT OF PLANNING AND DEVELOPMENT

## STATEMENT OF OBJECTIVES

Introduction

The City of Providence announced its 11th Year Community Development Block Grant Statement of Objectives almost coincidentally with the reorganization of all major development activities under the auspices of a single new consolidated department. This reorganization, now complete, has finally brought the staff expertise of three previously separate agencies under one roof. The transition for CDBG activities has been relatively smooth. The program elements which required complete reorganization, specifically housing assistance and economic development, are now effective and well run programs. The housing assistance and economic development activities now are accepting and processing applications and assistance.

This year, we have made real progress in the integration of the Providence Redevelopment Agency efforts, the Community Development Block Grant programs, and the Providence Local Development loan fund program into a coherent development strategy. The divisions of Planning, Project Management, Neighborhood Services and Administration, are working effectively to implement projects and to provide technical assistance for several new City initiatives. Perhaps the most exciting project developed this year is the reuse of the Outlet Building for more than 300 residential units in the Downtown neighborhood. By using a sophisticated financing plan involving the sale of a City UDAG asset, this historic structure is being saved from demolition and will be a key component of the Downtown neighborhood.

Another major initiative has been the Vacant Land Improvement Program, which will receive funding again in this budget year. This program will provide a quick, effective way for residents to purchase and improve blighted, abandoned lots. This program combines the ability of the Providence Redevelopment Agency to condemn property and offer clear title to new, interested owners and funding from the CDBG. This program will have a major impact for low/moderate income neighborhoods where lots, now strewn with litter and abandoned cars, can be purchased at a low cost by abutting owner/occupants or neighborhood groups and used for gardens, side yards, or in-fill housing.

The Program which is outlined in this Statement of Objectives is one that predominantly benefits low and moderate income persons. We estimate that at least sixty (60%) percent of our program dollars will directly benefit low and moderate income persons through direct housing assistance programs, social services, parks rehabilitation, vacant land reuse, and economic development. In general the program suggested here provides assistance to existing programs funded with CDBG resources in the past. We propose direct housing assistance to low income owner/occupants, support for non-profit housing service/development agencies, and administrative

support for our in-house rehabilitation programs. We intend to fund public service agency human service providers with a set-aside of \$1,480,000.00. This represents a 7.5 percent cut from last year's program. Further progress will be made in revitalizing parks in low income neighborhoods--some funding will be made available for a vacant lot reuse program and some public infrastructure improvements made.

We believe that this budget, while cutback seriously, will still serve in a meaningful way the low and moderate population of Providence, by holding direct program services at last year's level.

COMMUNITY DEVELOPMENT BLOCK GRANT - 12 YEAR

Budget Category

|                                  |             |
|----------------------------------|-------------|
| <u>Housing</u>                   |             |
| Direct Assistance                | \$459,200   |
| Non-Profit Housing Program       | 332,075     |
| Program Administration           | 314,000     |
| Indian Council Loan              | 300,000     |
| <u>Public Services</u>           |             |
| Social Programs                  | 1,480,000   |
| <u>Community Facilities</u>      |             |
| Nickerson House                  | 35,000      |
| <u>Public Infrastructures</u>    |             |
| Streets & Sidewalks              | 200,000     |
| Building Boarding & Demolition   | 100,000     |
| Fire Equipment                   | 100,000     |
| <u>Parks &amp; Open Spaces</u>   |             |
| UPARR Local Match/Parks Rehab.   | 150,000     |
| <u>Vacant Lot Re-Use Program</u> |             |
| Program Funds                    | 110,000     |
| <u>Economic Development</u>      |             |
| Direct Assistance                | 600,000     |
| Program Administration           | 300,000     |
| <u>Contingency</u>               | 219,725     |
| <u>General Administration</u>    | 1,176,000   |
| <u>Total Entitlement</u>         | \$5,876,000 |

COMMUNITY DEVELOPMENT BLOCK GRANT

The 12th Year Community Development Block Grant proposes a budget amount which is fifteen (15%) percent less than the previous year. This cutback is borne for the most part by the line items of public infrastructure, direct housing assistance and administration. Every attempt has been made to preserve the program dollars that are used for direct services to low and moderate income residents of the City, and social services and housing non-profit agencies are funded at One Hundred (100%) percent of last year's level.

cutback of 7.5 percent in their funding because we believe sufficient funding to continue their program efforts is vital to the City's neighborhoods. The amount of \$332,075 will be allocated for the following groups:

These programs include:

The Elmwood Foundation - a support program for architectural preservation and housing rehabilitation in the Elmwood neighborhood.

Elmwood Neighborhood Housing Services - a partnership program among the City, financial institutions and neighborhood residents which undertakes high risk loans, housing inspections, rehabilitation assistance and neighborhood improvement projects in Elmwood.

CHOICE - an affirmative marketing and outreach program for real estate sales in Elmwood.

SWAP - (Stop Wasting Abandoned Property) - assistance to low income purchasers of abandoned houses.

Providence Preservation Society - Revolving Fund - loans and technical assistance to property owners in West Broadway and Upper South Providence.

The Programs to be funded for the 12th Program Year are:

A. Housing:

Direct Assistance - In-house Program Funds totaling \$459,200 will be made available for direct loans to eligible home owners to make needed repairs to their property. These repairs may include exterior painting for elderly/handicapped lower income owners or more extensive repairs to deteriorated properties. We anticipate that these funds will assist more than one hundred properties in the city.

B. Non-Profit Housing Programs - The CDBG has been used creatively and effectively over the past decade to support various neighborhood based non-profit housing programs in Providence. In this year, these groups will receive a

West Broadway Incentive Corporation - program outreach and coordination for the West Broadway neighborhood.

Women's Development Corporation - support for development of low income housing resources.

- C. Program Administration - Funds are provided totaling \$314,000 for expenses relating to the administration of direct housing services provided by the CDBG, monitoring and program related services (income verification, review of specifications etc.) for the non-profit housing programs and the Rental Rehabilitation program.
- D. Indian Council Housing Development Loan - The City of Providence has recently made an application for a Housing Development Action Grant to support the development of 36 new housing units in Upper South Providence. A joint financing plan has been negotiated involving the HDAG, a mortgage from the Rhode Island Housing & Mortgage Finance Corporation, private fund raising and a \$300,000 loan from the 12th year CDBG.

Public Services:

In the 12th Program Year, the human service providers funded through CDBG will receive a funding cutback of 7.5 percent. But because of the near certainty of Federal cutbacks in the future we may suggest a challenge funding program for a portion of 12th Year funds. We believe that it is necessary to encourage fund raising and diversification of funding sources and through these efforts, we believe that the public service programs will grow stronger and will be better able to deal with future cutbacks.

Eleven community centers (DaVinci, Mt. Hope, Elmwood, Federal Hill, Hartford Park, Joslin, Nickerson, Silver Lake, Smith Hill, West End, Washington Park) - will receive funds for a second year under a block grant concept. Using this approach, community centers will participate with staff in preparing budgets which are flexible in meeting individual neighborhood needs. Additionally, single purpose programs including Roger Williams Day Care, and Senior Citizens Transportation as examples will be funded. The total amount made available for public services in the 12th Year will be \$1,480,000.00.

Community Facilities:

The CDBG has been used to a large extent over the past decade to build and rehabilitate community centers in our neighborhoods. Last year, we allocated \$100,000 to assist the Nickerson Community Center in Olneyville with needed rehabilitation. This year, we have made an additional \$35,000 available which will complete our contribution to a \$1,000,000 private fund raising campaign.

Public Infrastructure:

The CDBG will be used to make targeted public improvements and provide urgently needed funding for emergency boarding of buildings and the purchase of fire fighting equipment. The total funding for these items will be \$400,000 for the 12th Year.

Parks & Open Spaces:

The CDBG will make available \$100,000 as the required local match for an HCRS Application the City is preparing. These funds will be used for the rehabilitation of parks located in and serving low and moderate income neighborhoods. A preliminary list of projects includes, Asham Field, Candace Street Playground, Davis Park, Fox Point Fields, Ridge/Knight Streets Park, Sackett Street Playground, Baxter Street Playground, Ellery Street Park and Wallace Street Playground. In addition, \$50,000 will be made available for other parks rehabilitation efforts.

Vacant Lot Program:

The more deteriorated neighborhoods in Providence are blighted by a large number of vacant lots which are most often sites for illegal dumping, abandoned cars, broken glass and are breeding sites for rats. The City has aggressively enforced laws regarding dumping and abandoned cars and is now ready to obtain title and legal control of these lots in order to make them available to adjoining owners for creation of side yards, gardens, neighborhood parking or in-fill housing. The CDBG funds allocated in the amount of \$110,000 will support this program including the costs of acquisition, site clearance and administrative expenses.

Economic Development:

The City of Providence is currently experiencing a period of increased investment and business activities. The CDBG will make available \$600,000 in program funds and \$300,000 in administrative funds to support projects which will expand the City's tax base and create or retain jobs for low and moderate income residents.

Contingency:

A contingency amount of \$219,725 has been set aside for unanticipated program expenses.

Administration:

The general (non program specific) administration cost has been budgeted at \$1,176,000 for the 12th Program Year.

Chairman O'Connor thanks Mr. Markos for his summary of the twelfth year budget and asks the committee if they have any questions and there are none. Chairman O'Connor states that since there are no questions of Mr. Markos a motion is in order.

On motion of Councilman Dillon and seconded by Councilwoman Brassil, it is voted to transmit the said resolution to the City Council with recommendation of passage.

Adjournment taken at 7:10 o'clock P.M.

*Michael R. Clement*  
ASSISTANT CLERK

Copied

Compared

*RAC*  
*AGJ*

1

2

3