

CHAPTER

NO. AN ORDINANCE AUTHORIZING THE CITY OF PROVIDENCE TO FINANCE THE DESIGN, CONSTRUCTION, REPAIR, REHABILITATION, REPLACEMENT AND IMPROVEMENT OF INFRASTRUCTURE IN THE CITY'S NEIGHBORHOODS, INCLUDING, BUT NOT LIMITED TO, STREETS, SIDEWALKS, PUBLIC PARKS, RECREATION FACILITIES, BRIDGES, SEWERS, DRAINAGE AND CITY BUILDINGS BY THE ISSUANCE OF NOT MORE THAN \$40,000,000 BONDS AND NOTES, AS AMENDED

Approved
Be it ordained by the City of Providence:

SECTION 1. In addition to sums heretofore appropriated, the sum of \$40,000,000 is appropriated to finance neighborhood and capital improvements. The details of the neighborhood improvement projections in Subsection A will be approved by the City Council prior to the issuance of the bonds. The categories to be funded and the amounts to be funded are as follows:

A. Neighborhood Improvement Projects in the amount of \$22.5 million. Expenditures to be determined by individual City Council Member.

<u>Ward</u>	<u>Amount To Be Expended</u>
Ward One	\$1.5 million
Ward Two	\$1.5 million
Ward Three	\$1.5 million
Ward Four	\$1.5 million
Ward Five	\$1.5 million
Ward Six	\$1.5 million
Ward Seven	\$1.5 million
Ward Eight	\$1.5 million
Ward Nine	\$1.5 million
Ward Ten	\$1.5 million
Ward Eleven	\$1.5 million
Ward Twelve	\$1.5 million
Ward Thirteen	\$1.5 million
Ward Fourteen	\$1.5 million
Ward Fifteen	\$1.5 million
Total	\$22.5 million

B. Special Projects in the amount of \$17.5 million.

SECTION 2. Pursuant to Rhode Island General Laws § 45-12-2 and Section 807(e) of the Providence Home Rule Charter, the City Treasurer and the Mayor are authorized to issue general obligation bonds of the City in an amount not to exceed \$40,000,000 (the "Bonds") in order to meet the foregoing appropriation.

The average period of usefulness of the Projects is expected to be approximately twenty (20) years. The Bonds will be within all debt and other limitations prescribed by the Constitution and laws of the State of Rhode Island and the net general obligation debt of the City (secured by the full faith and credit and taxing power of the City) after the issuance of the Bonds is expected to be \$88,655,000.

SECTION 3. With City Council approval the said officers from time to time may issue and refund not exceeding \$40,000,000 interest bearing or discounted Notes in anticipation of the issue of said Bonds pursuant to Section 807(h) of the Providence Home Rule Charter.

SECTION 4. The manner of sale, forms, amount, denominations, maturities, conversion or registration privileges, interest rates, and other conditions and details of the Bonds and Notes authorized herein shall be fixed by the said officers.

SECTION 5. The City Council hereby authorizes the City Treasurer and the Mayor, acting on behalf of the City, to issue the Bonds and Notes for the purposes set forth herein and to take all actions as they deem necessary to effect the issuance of the Notes and Bonds. The Bonds and Notes shall be issued by the City under its corporate name and seal or a facsimile of such seal. The Bonds and Notes shall be signed by the manual or facsimile signature of the City Treasurer and the Mayor.

SECTION 6. The City Treasurer and the Mayor are hereby authorized to issue the Bonds and Notes and deliver them to the purchaser and said officers are hereby authorized and instructed to take all actions, on behalf of the City, necessary to ensure that interest on the Bonds and Notes will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause interest on the Bonds and Notes to become subject to federal income taxes.

SECTION 7. The Bonds and Notes may be issued either alone or consolidated with other issues of notes or bonds of the City. Proceeds of any borrowing shall be apportioned at a percentage of 56.25 for Section 1a and the balance for Section 1b.

SECTION 8. The City's Finance Director is authorized to execute and deliver continuing disclosure certificates in connection with the Bonds and Notes issued by the City, in such form as shall be deemed advisable by the City's Finance Director. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of each continuing disclosure certificate, as it may be amended from time to time. Notwithstanding any other provision of this ordinance or the Bonds or Notes, failure of the City to comply with any continuing disclosure certificate shall not be considered an event of default; however, any bondholder or noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this ordinance and under any continuing disclosure certificate.

SECTION 9. The City Treasurer and the Mayor are also authorized, empowered and directed, on behalf of the City, to: (i) execute, acknowledge and deliver any and all other documents, certificates or instruments necessary to effectuate such borrowing, including, without limitation, a Preliminary Official Statement, a final Official Statement, all in such form and with such provisions as such officer shall deem advisable; (ii) amend, modify or supplement the bonds or notes and any and all other documents, certificates or instruments at any time and from time to time, in such manner and for such purposes as such officers shall deem necessary, desirable or advisable; (iii) do and perform all such other acts and things deemed by such officers to be necessary, desirable or advisable with respect to any matters contemplated by this ordinance in order to effectuate said borrowing and the intent hereof.

SECTION 10. This ordinance is an affirmative action of the City Council of the City of Providence toward the issuance of Bonds and/or Notes in accordance with the purposes of the laws of the State. This ordinance constitutes the City's declaration of official intent pursuant to

Treasury Regulation Section 1.150-2 to reimburse the City's General Fund for certain capital expenditures for the Projects paid on or after the date which is sixty (60) days prior to the date of this ordinance, but prior to the issuance of the Bonds and/or Notes. Such amounts to be reimbursed shall not exceed \$40,000,000, and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid, or (b) the date a Project is placed in service or abandoned but in no event later than three (3) years after the date the expenditure is paid.

SECTION 11. No Bonds or Notes shall be issued pursuant to the authority of this ordinance until a majority of the electors of the City has approved the loan. The question of the approval of the loan shall be placed before the qualified electors of the City of Providence at the state general election to be held on November 8, 2016, shall be submitted in substantially the following form:

"Shall an Ordinance of the City Council effective on _____, 2016 authorizing the issuance of up to \$40,000,000 general obligation bonds of the City to finance the design, construction, repair, rehabilitation, replacement and improvement of infrastructure in the City's neighborhoods, including, but not limited to, streets, sidewalks, public parks, recreation facilities, bridges, sewers, drainage and City buildings, pursuant to Rhode Island General Laws § 45-12-2 and § 807 of the City's Home Rule Charter, be approved?"

SECTION 12. This ordinance shall take effect upon its approval by the Mayor after its passage.