

CHAPTER 2022-74

No. 431 AN ORDINANCE AMENDING CHAPTER 2014-25, ORDINANCE NO. 315 OF THE PROVIDENCE CODE OF ORDINANCES ESTABLISHING A TAX EXEMPTION AND STABILIZATION PLAN FOR PROSPECT CHARTER CARE, LLC AND ITS AFFILIATES IN THE CITY OF PROVIDENCE

Approved December 21, 2022

Be it ordained by the City of Providence:

WHEREAS, The City of Providence, pursuant to its authority under Rhode Island General Laws § 44-3-9 and in accordance with the laws of the State of Rhode Island and the Code of Ordinances for the City of Providence, previously granted and passed Ordinance No. 315 of Chapter 2014-25 of the Providence Code of Ordinances (“Ordinance No. 315”), establishing a twelve (12) year Tax Exemption and Stabilization Plan with respect to taxes due to the City for Real Property and/or Facility Site, as defined and listed therein (the “Tax Stabilization Agreement”); and

WHEREAS, Project Owner transferred a portion of the Real Property under Tax Stabilization Agreement, commonly and formerly known as “Saint Joseph’s Hospital”, to 21 Peace Street, LLC by Quitclaim Deed dated and recorded December 28, 2016 at Book 11602 Page 301 and to Urban Land Development Company, LLC by Quitclaim Deed dated and recorded December 28, 2016 at Book 11602 Page 305, both instruments recorded in the Providence Land Evidence Records (the “St. Joe’s Transfer”); and

WHEREAS, Project Owner also transferred a portion of the Real Property under Tax Stabilization Agreement, commonly referred to as the “North Campus of the Roger Williams Medical Center” to Valley Stream Property, LLC by Warranty Deed dated December 21, 2016 and recorded December 22, 2016 at Book 11597 Page 225 of the Providence Land Evidence Records (the “Condo Transfer”); and

WHEREAS, For Real Property, Ordinance 315 expressly provided for a schedule of Stabilized Tax Payments with fixed payments for the first 6 years (tax years 2014-2019), for year 7 (tax year 2020) a reassessment was contemplated and a fixed floor payment was triggered, and for the last 5 years (tax years 2021-2025) payment is based on a sliding percentage of assessed value. Section 2(g) allows the Project Owner the right to appeal assessed value; and

WHEREAS, Based on the St. Joe’s Transfer and the Condo Transfer and their impact on the assessed value of remaining property under Tax Stabilization Agreement, and the reassessment of the Real Property in year 7 (2020) as required by the Tax Stabilization Agreement, the Project Owner has requested and it is in the City of Providence’s best interest to amend the Tax Stabilization Agreement as provided herein.

NOW, THEREFORE, 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. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Tax Stabilization Agreement.

Section 3. Amendment of Tax Stabilization Agreement. The City of Providence, in accordance with the laws of the State of Rhode Island and the Code of Ordinances for the City of Providence, is hereby authorized to amend the Tax Stabilization Agreement as provided herein, and does hereby amend and consent to the amendment of the Tax Stabilization Agreement as follows:

- (i) Section 2(f) of the Tax Stabilization Agreement is amended by replacing Exhibit A and Exhibit B referred to therein with the attached Exhibit A-1 which is a list of the Project Owner's remaining Real Property and/or Facility Site, for purposes of the Tax Stabilization Agreement starting with tax year 2021.
- (ii) Section 4 of the Tax Stabilization Agreement is amended by replacing the schedule of Stabilized Tax Payments pursuant to Exhibit C with the attached Exhibit B-1 schedule of Stabilized Tax Payments for Prospect CharterCARE, LLC and its affiliates, and Valley Stream Property, LLC. The tax rate used to calculate all real property payments for tax years 2021 through 2025 is and will remain at \$36.70 per thousand of assessed value.
- (iii) Section 2(g) of the Tax Stabilization Agreement is deleted in its entirety.
- (iv) Section 2(h) of the Tax Stabilization Agreement is hereby changed to 2(g).
- (v) Section 2(i) of the Tax Stabilization Agreement is hereby changed to 2(h).
- (vi) Section 9 of the Tax Stabilization Agreement is hereby amended to include the following: "Valley Stream Property, LLC is a beneficiary of this Tax Stabilization Agreement as of December 22, 2016 and shall remain a beneficiary so long as the Facility Site at 50 Convent Street, Unit B remains a health care use. As of the Effective Date hereof, Valley Stream Property, LLC shall be solely responsible to make the Stabilized Tax Payments for 50 Convent Street, Unit B set forth on Exhibit B-1."

Section 4. Miscellaneous. Except as specifically provided herein, the provisions of Ordinance No. 315 shall remain unchanged and in full force.

Section 5. 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 6. Applicable Law. This agreement shall be construed under the laws of the State of Rhode Island.

Section 7. Effective Date. This Ordinance shall become effective immediately upon its passage by the City Council and approval by the Mayor.

Section 8. Prohibition on Assessment Appeal. By accepting the benefit of this Amendment, Property Owner and all Beneficiaries of Ordinance, as those terms are defined, agree not to appeal their Real Property tax assessments through and including tax year 2025.

The Tax Stabilization Agreement, as amended hereby, is hereby ratified and confirmed.

IN CITY COUNCIL
DEC 01 2022
FIRST READING
READ AND PASSED
Tina L. Mastrosianni CLERK
ACTING

IN CITY
COUNCIL
DEC 15 2022
FINAL READING
READ AND PASSED
John J. Iglizzi PRESIDENT
Tina L. Mastrosianni ACTING CLERK

I HEREBY APPROVE.

[Signature]
Mayor

Date: 12/21/22

EXHIBIT A-1

- 825 Chalkstone Avenue (Plat 82 Lot 283)
- 55 Rosebank Avenue (Plat 82 Lot 219)
- 49 Rosebank Avenue (Plat 82 Lot 220)
- 45 Rosebank Avenue (Plat 82 Lot 221)
- 41 Rosebank Avenue (Plat 82 Lot 222)
- 37 Rosebank Avenue (Plat 82 Lot 223)
- 33 Rosebank Avenue (Plat 82 Lot 224)
- 865 Chalkstone Avenue (Plat 117 Lot 421)
- 867 Chalkstone Avenue (Plat 117 Lot 418)
- 877 Chalkstone Avenue (Plat 117 Lot 417)
- 881 Chalkstone Avenue (Plat 117 Lot 416)
- 895 Chalkstone Avenue (Plat 117 Lot 415)
- 17 Parkway Avenue (Plat 117 Lot 471)
- 21 Winrooth Avenue (Plat 117 Lot 473)
- 25 Winrooth Avenue (Plat 117 Lot 483)
- 29 Winrooth Avenue (Plat 117 Lot 484)
- 32 Winrooth Avenue (Plat 117 Lot 474)
- 33 Winrooth Avenue (Plat 117 Lot 485)
- 37 Winrooth Avenue (Plat 117 Lot 486)
- 41 Winrooth Avenue (Plat 117 Lot 487)
- 45 Winrooth Avenue (Plat 117 Lot 488)
- 49 Winrooth Avenue (Plat 117 Lot 489)
- 53 Winrooth Avenue (Plat 117 Lot 490)
- 57 Winrooth Avenue (Plat 117 Lot 491)
- 61 Winrooth Avenue (Plat 117 Lot 492)
- 65 Winrooth Avenue (Plat 117 Lot 507)
- 71 Winrooth Avenue (Plat 117 Lot 509)
- 444 Pleasant Valley Parkway (Plat 117 Lot 432)
- 50 Convent Street (Plat 82 Lot 234 Units A and B)
- 864 Admiral Street (Plat 124 Lot 243)
- 872 Admiral Street (Plat 124 Lot 521)

EXHIBIT B-1
Prospect CharterCARE,LLC
and its Affiliates

Stabilization year	Tax year	Real property taxes to be paid	Tangible property taxes to be paid	Host community payments to phase out existing RWMC/City PILOT
1	2014	\$600,000	\$0	\$100,000
2	2015	\$2,100,000	\$0	\$125,000
3	2016	\$2,200,000	\$0	\$150,000
4	2017	\$2,300,000	\$0	\$175,000
5	2018	\$2,400,000	\$0	\$200,000
6	2019	\$2,500,000	\$225,000	-
7	2020	\$2,500,000	\$250,000	-
8	2021	\$1,329,914.97	20% of normal tangible tax obligation	-
9	2022	\$1,595,897.96	40% of normal tangible tax obligation	-
10	2023	\$1,861,880.95	60% of normal tangible tax obligation	-
11	2024	\$2,127,863.94	80% of normal tangible tax obligation	-
12	2025	\$2,418,027.21	100% of normal tangible tax obligation	-

Valley Stream Property, LLC
50 Convent Street, Unit B

8	2021	\$494,165.13
9	2022	\$592,998.16
10	2023	\$691,831.19
11	2024	\$790,664.21
12	2025	\$898,482.06