

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Ordin. kilgus

CHAPTER 1997-67

No. 632 **AN ORDINANCE** ESTABLISHING A TAX STABILIZATION PLAN FOR KILGUSS REALTY, CO., LLC

Approved November 3, 1997

Be it ordained by the City of Providence:

WHEREAS, Section 21-169 of the Ordinance of the City of Providence grants authority to the City Council, pursuant to Section 44-3-9 of the General Laws of the State of Rhode Island, as amended, to exempt property used for industrial, commercial or residential purposes from the payment of property tax if the granting of the exemption meets certain conditions set forth in said Section of the Ordinance; and

WHEREAS, Kilguss Realty Co., LLC has made application under, and has satisfied each condition of the above mentioned Ordinance;

WHEREAS, Kilguss Realty Co., LLC is a commercial concern who intends to retain its facility in the City of Providence and agrees, as a condition of this tax treaty, to not reduce substantially its workforce in the City of Providence, on Royal Little Drive in the Silver Spring Industrial Park, in Providence, Rhode Island, on Assessor's Plat 72, Lots 544, 545, 546 and ("Project");

WHEREAS, the Project will cause an increase in the tax base of the City and will increase employment opportunity in the City; and

WHEREAS, it is in the interest of the residents of the City of Providence to grant such an exemption to induce the development and construction of the Project in the City, and such exemption will inure to the benefit of the City;

Be It Ordained by the City of Providence:

SECTION 1. That the findings set forth in the preceding WHEREAS Clauses are hereby made and confirmed.

SECTION 2. As long as Kilguss Realty Co., LLC owns or operates the facility, it will continue to pay taxes on the facility. Kilguss Realty Co., LLC its successors and assigns, agree that this property will be subject to taxation at the

No.

CHAPTER

AN ORDINANCE

IN CITY COUNCIL
Sept. 4, 1997
FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

CLERK

THE COMMITTEE ON

Finance
Recommends

Claire Bestwick
Clerk
Sept. 15, 1997

Oct. 4, 1997 Public Hearing

THE COMMITTEE ON
FINANCE
Approves Passage of
The Within Ordinance

Claire Bestwick
Clerk
Oct. 6, 1997

Councilwoman Romano (By Request)

expiration of the tax treaty. Kilguss Realty Co., LLC also agrees not to transfer the property to a tax-exempt entity or to allow any transfer by any subsequent transferee to a tax-exempt entity during the term of the tax treaty. Kilguss Realty Co., LLC is also required as a condition precedent to this tax treaty to record notice of the requirement that the property covered by this Ordinance be transferred only to a tax paying entity, as set forth herein in the Land Evidence Records of the City of Providence. Notwithstanding this provision, in the event that the successor to the property does not make the payments under the tax treaty, Kilguss Realty Co., LLC will be responsible to make payments in lieu of taxes to the City of Providence in the amounts set forth in the attached schedule. In the event that the property covered by this Ordinance is transferred to a tax-exempt entity, whether by Kilguss Realty Co., LLC or any any subsequent transferee of such property, Kilguss Realty Co., LLC will be responsible to make payments in lieu of taxes to the City of Providence equal to the amount of taxes which would have been paid to the City of Providence if such prohibition against transfer to a tax-exempt entity had not been violated. Notwithstanding anything to the contrary herein or in the tax treaty used in connection herewith, the provisions of this Section 2. shall continue to be given full force and effect until such time as the same shall be amended or terminated by majority vote of the City Council of Providence.

SECTION 3. It shall be the goal of Kilguss Realty Co., LLC to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 37-14.1 ("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 the MBE act). It shall be Kilguss Realty Co., LLC's further goal to award to woman business enterprises (WBE) 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). It shall be a further goal of Kilguss Realty Co., LLC to achieve a minimum level of 10% for minority and 10% for female employment.

SECTION 4. In making employment decisions for the facility located at Royal Little Drie in the Silver Spring Industrial Park, Kilguss Realty Co., LLC shall give preferential consideration to qualified employees/applicants who reside in Providence.

SECTION 5. The schedule listed below is based upon information provided to the Tax Assessor by Kilguss Realty Co., LLC including, but not limited, to estimated construction costs. In the event any of this information is inaccurate or proves to erroneous, this treaty shall be modified to reflect that accurate information.

SECTION 6. That the real and personal property taxes payable to the City by the Project during the term of this Ordinance shall be based upon the real and personal property tax rates in effect for the City's 1997 fiscal year.

SECTION. 7. That the City, in accordance with Section 44-3-9 of the Rhode Island General Laws and Section 21-169 of the Code or Ordinances for the City of Providence, is hereby authorized to grant an exemption from the assessed valuation for tax purposes as of December 31, 1997 up to and including December 31, 2006 to Kilguss Realty Co., LLC located on Royal Little Drive in the Silver Spring Industrial Park in Providence, Rhode Island, on a portion of Assessor's Plat 72, Lots 544, 545, 546 as provided in the above mentioned Ordinance, in accordance with the schedule in Exhibit A.

SECTION 8. This Ordinance shall take effect upon its passage.

IN CITY COUNCIL
OCT 9 1997
FIRST READING
READ AND PASSED
Michael R. Clement CLERK

IN CITY COUNCIL
OCT 23 1997
FINAL READING
READ AND PASSED
Emily V. Fargnoli PRESIDENT
Michael R. Clement CLERK

APPROVED
NOV 3 1997
Vincent A. Cianci MAYOR

AN ORDINANCE ESTABLISHING TAX
STABILIZATION PLAN FOR KILGUSS
REALTY, CO., LLC

RECEIVED

CHIEF OF POLICE
CITY OF CHICAGO

100

RECEIVED BY CITY ASSESSOR
PROVIDENCE RHODE ISLAND

8/15/97 DATE

APPLICATION FEE FORWARDED TO
COLLECTOR

300.00 AMOUNT

REVIEWED BY ASSESSOR WITH THE
FOLLOWING RECOMMENDATIONS

Recommend passage. This
is an aggressive step to
fill Silver Spring Industrial
Park with jobs.

SIGNATURE/DATE/ASSESSOR

Don Robin 8/15/97

RECEIVED BY CITY COLLECTOR

APPLICANT OWES FOLLOWING TAXES

YEAR	AMOUNT
1997	6551.55
1996	6330.02
1995	5859.22
1994	5869.22
total	24,610.01

TAXES ARE PAID IN FULL

ARRANGEMENTS HAVE BEEN MADE

YES

NO

SIGNATURE/DATE/COLLECTOR

Anthony E. Annino 8-15-97

RECEIVED BY BUILDING INSPECTOR
DATE 8-15-97

Ranji J. Jyga

PLANS AS REVIEWED MEET ALL CUR-
RENT CODES/STATUTES OF CITY

✓

YES

NO

Foundation only
NO VIOLATIONS EXIST ON THIS OR
OTHER PROPERTIES OWNED BY
APPLICANT

YES

NO

* VIOLATIONS EXIST AS FOLLOWS

Foundation Permit only

VIOLATIONS HAVE BEEN DIS-
CUSSED WITH APPLICANT(S)
ARRANGEMENTS HAVE BEEN
MADE TO CORRECT SAME

YES

✓

NO

SIGNATURE/DATE/BUILDING INSPECTOR

Ranji J. Jyga 8-15-97



FINANCE DEPARTMENT

CITY COLLECTOR

Plat 72	Lot 544		
Year	Taxes	Interest	
1997	\$ 6,551.55	\$ -	\$ 6,551.55
1996	\$ 6,330.02	\$ 759.60	\$ 7,089.62
1995	\$ 5,859.22	\$ 1,406.21	\$ 7,265.43
1994	\$ 5,869.22	\$ 2,278.81	\$ 8,148.03
			\$ 29,054.63
Plat 72	Lot 545		
Year	Taxes	Interest	
1997	\$ 14,075.60	\$ -	\$ 14,075.60
1996	\$ 13,384.80	\$ 1,606.18	\$ 14,990.98
1995	\$ 12,394.80	\$ 2,974.75	\$ 15,369.55
1994	\$ 12,394.80	\$ 4,818.53	\$ 17,213.33
1993	\$ 12,394.80	\$ 5,949.50	\$ 18,344.30
1992	\$ 12,394.80	\$ 7,436.88	\$ 19,831.68
1991	\$ 12,394.80	\$ 8,924.26	\$ 21,319.06
1990	\$ 11,220.00	\$ 10,411.63	\$ 21,631.63
			\$ 142,776.13
Plat 72	Lot 546		
Year	Taxes	Interest	
1997	\$ 5,201.57	\$ -	\$ 5,201.57
1996	\$ 4,946.29	\$ 593.55	\$ 5,539.84
1995	\$ 4,580.44	\$ 1,099.31	\$ 5,679.75
1994	\$ 4,580.44	\$ 1,780.66	\$ 6,361.10
1993	\$ 4,580.44	\$ 2,198.61	\$ 6,779.05
1992	\$ 4,580.44	\$ 2,748.26	\$ 7,328.70
1991	\$ 4,580.44	\$ 3,297.92	\$ 7,878.36
1990	\$ 4,146.30	\$ 3,847.57	\$ 7,993.87
			\$ 52,762.25

paid 8-22-97

done by
Resolution
City Council

done by
Resolution
City Council

**PAY OF NON-REFUNDABLE APPLICATION FEE
MUST ACCOMPANY APPLICATION ACCORDING TO
THE FOLLOWING SCHEDULE:**

DATE August 14, 1997

- | | |
|--|--|
| 1. NAME & ADDRESS OF APPLICANT
(IF CORPORATION/PARTNERSHIP,
GIVE NAME & TITLE OF CEO FILING
APPLICATION). | Kilguss Realty Company LLC
200 Chestnut Street Providence, RI 02903
Howard M. Kilguss, President |
| 2. IF APPLICANT IS LESSEE, GIVE
NAME AND ADDRESS OF OWNER
AND SPECIFIC TERMS OF LEASE | |
| 3. LOCATION OF PROPERTY | Royal Little Drive
Silver Spring Industrial Park |
| 4. ASSESSOR'S PLAT AND LOT | Plat 72 Lot 544, 545, 546 |
| 5. DATE & PURCHASE PRICE OF
EXISTING PROPERTY | July 1, 1975 \$592,000.00 |
| 6. COST & PROJECTED DATE OF
ADDITIONAL PROPERTY TO BE
PURCHASED FOR THIS
EXPANSION PROJECT | N/A |

7. ESTIMATED COST OF EXPANSION/RENOVATION. (ATTACH EVIDENCE SUPPORTING SUCH FIGURE: COP OF BIDS, CONSTRUCTION CONTRACT, ARCHITECT'S CERTIFICATION). GIVE DETAILS AS TO SCOPE OF PROJECT TO BE UNDERTAKEN—# OF STORIES TYPE OF CONSTRUCTION, TOTAL SQ. FT. ETC.) See enclosed plans and contracts
\$2,100,000.00

8. DESCRIBE EXISTING FACILITY:

# OF STORIES	<u>Two stories</u>
# OF SQ. FT./ FLOOR	<u>24,000</u>
AGE OF BUILDING(S)	<u>62 years Addition-14 years</u>
TYPE OF CONSTRUCTION	<u>Concrete block and brick</u>
INTERIOR CONDITION	<u>Excellent</u>
EXTERIOR CONDITION	<u>Excellent</u>

9. APPLICATION IS MADE UNDER THE PROVISION OF THE ORDINANCE FOR THE FOLLOWING REASON(S) (CHECK ONE OR MORE)

<u> </u>	a. locate in City of Providence
<u> </u>	b. replace section of premises
<u> </u>	d. expand building
<u> </u>	e. remodel facility
<u> X </u>	f. construct new building (s)
<u> </u>	g. other (explain) <u> </u>

10. WILL PROPOSED CONSTRUCTION/ ALTERATION INCREASE THE EMPLOYMENT AT YOUR COMPANY YES X NO

IF YES, GIVE ESTIMATE AS TO NEW POSITIONS TO BE CREATED AND JUSTIFICATION FOR SAME It will bring 50 new jobs to Providence at the completion of the project

11. WILL THE PROPOSED ALTERATION/ CONSTRUCTION CAUSE ANY OTHER FACILITY TO CLOSE? YES X NO
200 Chestnut Street Providence, RI 02903

12. WILL CONSTRUCTION/ALTERATION REQUIRE PURCHASE OF ADDITIONAL FURNITURE/FIXTURES/EQUIPMENT? YES X NO
IF YES, GIVE DETAILS AS TO NUMBER AND TYPE TO BE PURCHASED Office furniture and equipment \$50,000. est.

Factory equipment:	
<u>Vault</u>	<u>\$ 70,000.00</u>
<u>Plating room</u>	<u>75,000.00</u>
<u>Security</u>	<u>30,000.00</u>
<u>Miscellaneous</u>	<u>25,000.00</u>

EXCELL

Manufacturing Company

200 Chestnut Street, Providence, RI 02903 U S A (401) 421-5957

57-12
115

045759

DATE August 14, 1997

PAY EXACTLY

EXCELL MFG. INC. 300 DOLS 00 CTS

PAY TO THE ORDER OF Providence City Tax Collector

\$300.00

CITIZENS BANK
CITIZENS TRUST CO.
PROVIDENCE, RI



AUTHORIZED SIGNATURE

⑈045759⑈ ⑆011500120⑆ 005 536 0⑈

YEAR#	% ABATED	ASSESSMENT DATE	TAXES PAID	ASSESSMENT ABATED	TAXES ABATED
1	90	12/31/97	\$9,202.56	2,589,030	\$82,823.07
2	80	12/31/98	\$ 18,405.13	2,301,360	\$ 75,269.09
3	70	12/31/99	\$ 27,607.69	2,013,690	\$ 64,717.94
4	60	12/31/00	\$ 36,810.25	1,726,020	\$ 55,215.38
5	50	12/31/01	\$ 46,012.82	1,438,350	\$ 46,012.82
6	40	12/31/02	\$ 55,215.38	1,150,680	\$ 36,810.25
7	30	12/31/03	\$ 64,717.94	863,010	\$ 27,607.69
8	20	12/31/04	\$ 75,269.09	575,340	\$ 18,405.13
9	10	12/31/05	\$ 82,823.07	287,670	\$ 9,202.56
10	0	12/31/06	\$ 92,025.63	0	0
		TOTAL	\$508,089.56	12,945,150	\$416,063.93
TOTAL OF REAL ASSESSMENT OF PROJECT \$2,876,700					
PROJECT ASSESSMENT					
		LAND	\$204,800		
		IMPROVEMENTS	\$2,671,900		
		TOTAL ASSESSMENT	\$2,876,700		
STABLIZATION FOR KILGUSS REALTY					
EXCELL MANUFACTURING					
CITY ORDANCE #					
OWNER KILGUSS REALTY					
200 CHESTNUT STREET					
LOCATION OF PROPERTY					
ROYAL LITTLE DRIVE					
SILVER SPRING INDUSTRIAL PARK					