

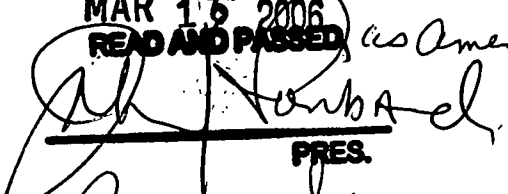
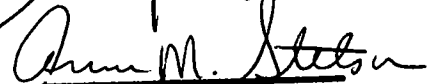
THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

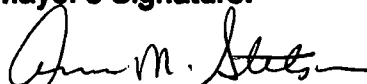
No. 149

EFFECTIVE ~~XXXXXXX~~ ^{Approved} March 26, 2006

RESOLVED, That the Members of the Providence City Council
hereby opposes Passage by the General Assembly of Senate Bill 2006-
S 2458 and House Bill 2006-H 7356, Relative to State Affairs and Government.

IN CITY COUNCIL
MAR 16 2006
READ AND PASSED *as Amended*

PRES.

CLERK

Effective without the
Mayor's Signature:


Anna M. Stetson
City Clerk

REMOVED
BY CLERK

Councilman Williams, By Request, Council President Lombardi, Councilman Allen, Apate, Butler,
De Luca, Hazzett, 191331, Jackson, Luna, Mancini, Segal, Councilman Di Ruzzo, Romano,
Young

2006 -- S 2458

LC00681**STATE OF RHODE ISLAND****IN GENERAL ASSEMBLY****JANUARY SESSION, A.D. 2006**

A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT**Introduced By:** Senator Maryellen Goodwin**Date Introduced:** February 09, 2006**Referred To:** Senate Commerce, Housing & Municipal Government

It is enacted by the General Assembly as follows:

1-1 SECTION 1. Title 42 of the General Laws entitled "State Affairs and Government" is
1-2 hereby amended by adding thereto the following chapter:

1-3

CHAPTER 140

1-4

THE PROVIDENCE DEVELOPMENT CORPORATION

1-5 **42-140-1. Findings.** – The general assembly finds and declares that:

1-6 (a) Realizing the enormous potential of the city of Providence requires a cooperative
1-7 effort between the city, the state, and private sector leadership because all three (3) interests are
1-8 involved and intertwined.

1-9 (b) The redevelopment initiatives in Providence are large and complex, includes
1-10 brownfield areas, and requires substantial investments of time, energy, and resources that are
1-11 beyond the capacity of the city to provide alone without significantly siphoning effort away from
1-12 other parts of the city.

1-13 (c) The redevelopment initiatives in Providence include a substantial diversity of uses,
1-14 thus its implementation will require a wider range of authorities, powers, and expertise than are

1-15 present in any current governmental agency with jurisdiction in the project area.

1-16 (d) The redevelopment initiative in Providence will take place over a substantial period of
1-17 time, and consequently it is vital to the project that the administration of the project have
1-18 continuity and consistency.

1-19 (e) The redevelopment initiative in Providence has high visibility and high value and will
2-1 affect the well-being of the people of the city and the metropolitan area for generations, thus
2-2 diverse, high quality development is critically important.

2-3 **42-140-2. Purposes.** – The purposes of this chapter are:

2-4 (a) To plan, implement, administer, and oversee redevelopment initiatives in the district
2-5 under the control of the Providence Development Corporation; and

2-6 (b) To authorize, provide for, and facilitate the consolidated exercise of development and
2-7 redevelopment powers existing at the state and local levels.

2-8 **42-140-3. Definitions.** – As used in this chapter, the following words and terms shall
2-9 have the following meaning:

2-10 (a) "Acquiring authority" means an acquiring authority as defined in Chapter of Title 37.

2-11 (b) "Comprehensive agreement" means a comprehensive agreement between the board
2-12 and those persons obligated to undertake a qualifying project as set forth in this section.

2-13 (c) "Plan" means the I-195 Old Harbor Plan adopted by the city of Providence.

2-14 (d) "Project area" means that area bounded by Pine Street, Chestnut Street, Clifford Street
2-15 and the new service road as laid out in the plan.

2-16 **42-140-4. Providence development corporation created.** – The Providence
2-17 development corporation is hereby constituted as an independent public instrumentality and body
2-18 corporate and politic for the purposes set forth in this chapter with a separate legal existence from
2-19 the city and from the state and the exercise by the corporation of the powers conferred by this
2-20 chapter shall be deemed and held to be the performance of an essential public function. The
2-21 Providence development corporation shall oversee, plan, implement, and administer development
2-22 in the district defined in a plan entitled "A Vision for Providence 2020." The city may, by
2-23 ordinance, limit the district to an area smaller than defined in the plan "A Vision for Providence
2-24 2020." It is the intent of the general assembly by the passage of this chapter to vest in the
2-25 corporation all powers, authority, rights, privileges, and titles which may be necessary to enable it
2-26 to accomplish the purposes herein set forth, and this chapter and the powers granted hereby shall

2-27 be liberally construed in conformity with those purposes.

2-28 **42-140-5. Planning.** – The corporation shall function and conduct its business and
2-29 activities in a manner consistent with plans approved for the corporation by the city and the
2-30 Providence city plan commission, and as appropriate or necessary, by the Rhode Island economic
2-31 development corporation. Such plans may be prepared without limitation by the corporation in
2-32 order to achieve the purposes of this chapter, and shall be subject to such state and local approvals
2-33 as are expressly provided for in this chapter. The corporation's district plan(s) shall conform with
2-34 the comprehensive plan and land development regulations of the city. The corporation's
3-1 approved plan for the district(s) shall be considered, in whole or part as appropriate for adoption
3-2 as an element of the state guide plan by the state planning council and for incorporation into a
3-3 special area management plan, which includes the district(s), by the Coastal Resources
3-4 Management Council.

3-5 **42-140-6. Corporation governance -- Board of directors.** – The powers of the
3-6 corporation shall be exercised by a board of directors as herein provided.

3-7 (a) Membership of the board of directors. There shall be a board of directors of seventeen
3-8 (17) members; thirteen (13) of whom shall be voting members; and four (4) of whom shall be
3-9 nonvoting members. Seven (7) members shall be members of the Providence Redevelopment
3-10 Agency as appointed in accordance with section 45-31-12. One voting member shall be a
3-11 member of the house of representatives from the city of Providence, appointed by the speaker of
3-12 the house. One voting member shall be a member of the senate from the city of Providence,
3-13 appointed by the president of the senate. The Greater Providence Chamber of Commerce and the
3-14 Providence Foundation shall each submit to the mayor a list of no fewer than three (3) nominees
3-15 for membership. From each list, the mayor shall select one member, who will be a voting
3-16 member. Two (2) voting members shall be appointed by the governor. The department of
3-17 transportation, the department of environmental management, the economic development
3-18 corporation and the coastal resources management council shall each designate one of the four (4)
3-19 nonvoting members. The initial appointment of the designee of the Greater Providence Chamber
3-20 of Commerce shall be for a one year term, and the initial appointment of the designee of the
3-21 Providence Foundation shall be for a two (2) year term. Initial appointments by the governor
3-22 shall be one member for a three (3) year term and one member for a four (4) year term. After the
3-23 initial appointment, terms shall be for five (5) years. Members of the board of directors shall be

either electors or property owners of the city or persons engaged in business in the city. The mayor shall appoint a member who shall be the chairperson. Each member of the board shall serve until a successor is appointed and qualified. In the event of a vacancy occurring in the office of a member by death, resignation, or otherwise, that vacancy shall be filled in the same manner as an original appointment, but only for the remainder of the term of the former member.

(b) The members of the board of directors shall receive no compensation for the performance of their duties under this chapter, but each member shall be reimbursed for his or her reasonable expenses incurred in carrying out those duties. A member may engage in private employment, or in a profession or business.

(c) The board of directors, at its annual meeting, shall elect a vice-chairperson, secretary and treasurer. A majority of the voting members shall constitute a quorum, and any action to be taken by the corporation under the provisions of this chapter may be authorized by resolution approved by a majority of the members present and entitled to vote at any regular or special meeting at which a quorum is present. A vacancy in the membership of the corporation shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the board of directors.

(d) The board of directors shall appoint such additional officers and staff members as they shall deem appropriate and shall determine the amount of reasonable compensation, if any, each shall receive. The board of directors may vest in an executive director or the executive director's subordinates the authority to appoint additional staff members and to determine the amount of compensation each individual shall receive.

(e) No full-time employee shall, during the period of his or her employment by the corporation, engage in any other private employment, profession, or business, except with the approval of the board of directors.

(f) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of interest for a director, officer, or employee of any financial institution, investment banking firm, brokerage firm, commercial bank, trust company, building-loan association, architecture firm, insurance company, or any other firm, person, or corporation to serve as a member of the board of directors, nor shall any contract or transaction between the corporation and a financial institution, investment banking firm, brokerage firm, commercial bank, trust company, building-loan association, architecture firm, insurance company, or other firm, person, or corporation be void or

4-21 voidable by reason of that service as a member of the board of directors. If any member, officer,
4-22 or employee of the corporation shall be interested either directly or indirectly, or shall be a
4-23 director, officer, or employee of or have an ownership interest (other than as the owner of the less
4-24 than one percent (1%) of the shares of a publicly-held corporation) in any firm or corporation
4-25 interested directly or indirectly in any contract with the corporation, that interest shall be
4-26 disclosed to the board of directors and set forth in the minutes of the board of directors, and the
4-27 member, officer, or employee having that ownership interest shall not participate on behalf of the
4-28 board of directors in the authorization of that contract. Interested members may be counted in
4-29 determining the presence of a quorum at a meeting of the board of directors which authorizes the
4-30 contract or transaction.

4-31 (g) Any action taken by the board of directors under the provisions of this chapter may be
4-32 authorized by vote at any regular or special meeting, and each vote shall take effect immediately.
4-33 All meetings shall be open to the public, and all records, shall be a matter of public record, except
4-34 that if a majority of the board of directors decides, consistent with the requirements of the open
5-1 meetings law, that it would be in the best interest of the corporation and the city and/or the state
5-2 to hold an executive session in private, then the board of directors shall be authorized to transact
5-3 any business as allowable under law at that executive session in private, and the record of the
5-4 executive session shall not become a matter of public record until the transaction discussed has in
5-5 the opinion of the board of directors been completed.

5-6 (h) Employees of the corporation shall not, by reason of their employment, be deemed to
5-7 be employees of the state or the city for any purpose, any other provision of the general laws;
5-8 charter, or ordinance to the contrary notwithstanding.

5-9 **42-140-7. Powers of the board of directors. – The board of directors shall have all the**
5-10 **rights and powers necessary or convenient to carry out and effectuate this chapter, including, but**
5-11 **not limited to, the rights and powers:**

5-12 (a) To sue and be sued, complain and defend, in its corporate name.

5-13 (b) To have a seal which may be altered at pleasure and to use the seal by causing it, or a
5-14 facsimile of the seal, to be impressed or affixed, or in any other manner reproduced.

5-15 (c) To purchase, receive, lease, or otherwise own, hold, improve, use, and otherwise deal
5-16 in and with, real or personal property, or any interest in real or personal property wherever
5-17 situated.

5-18 (d) To acquire any land, or any interest herein, by the exercise of the power of eminent
5-19 domain.

5-20 (e) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of
5-21 all or any part of its property and assets for any consideration and upon any terms and conditions
5-22 as the board of directors shall determine.

5-23 (f) To make contracts and guarantees, incur liabilities and borrow money at any rates of
5-24 interest as the board of directors may determine.

5-25 (g) To make and execute agreements of lease, conditional sales contracts, installment
5-26 sales contracts, loan agreements, mortgages, construction contracts, operation contracts and other
5-27 contracts and instruments necessary or convenient in the exercise of the powers and functions of
5-28 the board of directors granted by this chapter.

5-29 (h) To lend money for its purposes, invest and reinvest its funds, and at its option to take
5-30 and hold real and personal property as security for the payment of funds so loaned or invested.

5-31 (i) To acquire or contract to acquire, from any person, firm, corporation, municipality, the
5-32 federal government, or the state, or any agency of either the federal government or the state, by
5-33 grant, purchase, lease, gift, condemnation, or otherwise, or to obtain options for the acquisition of
5-34 any property, real or personal, improved or unimproved, and interests in land less than the fee
6-1 thereof; and to own, hold, clear, improve, develop, and rehabilitate, and to sell, assign, exchange,
6-2 transfer, convey, lease, mortgage, or otherwise dispose or encumber that property for the
6-3 purposes of carrying out the provisions and intent of this chapter, for any consideration as the
6-4 board of directors shall determine, and to retain a master developer for all or any portion of a
6-5 project.

6-6 (j) To conduct its activities, carry on its operations, and have offices and exercise the
6-7 powers granted by this chapter, within or outside of the state.

6-8 (k) To elect or appoint officers and agents of the corporation and define their duties and
6-9 fix their compensation.

6-10 (l) To make and alter bylaws, not inconsistent with this chapter, for the administration
6-11 and regulation of the affairs of the corporation, and those bylaws may contain provisions
6-12 indemnifying any person who is or was a commissioner, officer, employee, or agent of the
6-13 corporation.

6-14 (m) To be a promoter, partner, member, associate, or manager of any partnership,

6-15 enterprise, or venture within the district and to engage in promotional marketing, and similar
6-16 activities for the benefit of the corporation.

6-17 (n) To enter into contracts, agreements, and cooperative agreements with the city and its
6-18 agencies and instrumentalities and the state and its agencies and instrumentalities for the sharing
6-19 of personnel and other resources.

6-20 (o) To have and exercise all powers necessary or convenient to effect its purposes;
6-21 provided, however, that the corporation shall not have any power to create, empower or otherwise
6-22 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
6-23 other separate entity without the express approval and authorization of the city council.

6-24 (p) To acquire or condemn certain state-owned property declared surplus by the
6-25 department of transportation after construction and demolition of interstate route 195. The
6-26 corporation recognizes that the department of transportation will perform fair market value
6-27 appraisals to establish the value for these properties in accordance with U.S. department of
6-28 transportation, federal highway administration guidelines, specifically the code of federal
6-29 regulations 23CFR, Part 713 (Right-of-Way The Property Management Function). The
6-30 corporation must seek and secure the written consent to acquire or condemn said surplus propert
6-31 from the state of Rhode Island, the department of transportation, prior to any action being taken.

6-32 **42-140-8. Additional general powers. -- In addition to the powers of the corporation**
6-33 **otherwise provided herein, the corporation shall have the powers set forth below and shall be**
6-34 **subject to the limitations herein set forth. Except as may be expressly limited by action of the**
7-1 **corporation at a regular or special meeting, the board of directors shall have the powers necessar**
7-2 **to put into effect the powers of the corporation as set forth below and as herein limited.**

7-3 (a) The corporation is authorized and empowered to fix, revise, charge, collect and waive
7-4 fees, rates, rents, delinquency charges, and other charges for its services, and other services,
7-5 facilities, and commodities furnished or supplied by it, including penalties for violations of such
7-6 regulations as the corporation may from time to time promulgate under this chapter. Fees, rates,
7-7 rents, delinquency charges and other charges of general application shall be adopted and revised
7-8 by the corporation in accordance with procedures to be established by the corporation for assurir
7-9 that interested persons are afforded notice and an opportunity to resent data, views, and
7-10 arguments. The corporation shall hold at least one public hearing on its schedule of fees, rates,
7-11 and charges or any revision thereof prior to adoption, notice of which shall be published in a

newspaper of substantial circulation in the district at least fifteen (15) days in advance of the hearing, and notice of the hearing shall be provided to the city council. No later than the date of such publication the corporation shall make available to the public the proposed schedule of fees rates, and charges. Fees, rates, rents, and other charges established by the corporation shall not be subject to supervision or regulation by any department, division, district, board, bureau, or agency of the state or any of its political subdivisions. In order to provide for the collection and enforcement of its fees, rates, rents, and other charges, the corporation is hereby granted all the powers and privileges with respect to such collection and enforcement held by the city of liens for unpaid taxes. In no event shall the corporation be permitted to levy a property tax.

(b) In order to provide for the consolidated and coordinated, efficient and effective exercise of public development powers affecting or benefiting the redevelopment initiative in the district, the corporation shall have the powers of:

(1) A special development district as provided for in chapter 45-24.4;

(2) A redevelopment agency as provided for in chapters 45-31, 45-31.1, 45-31.2, 45-32; and 45-33. Within the district, the term "blighted area and substandard area" shall be deemed to include areas where the presence of hazardous materials, as defined in section 23-19.14-3; impairs the use, reuse, or redevelopment of impacted sites;

(3) A municipal public buildings authority as provided for in chapter 45-50;

(4) A subsidiary of the Rhode Island economic development corporation, with the approval of the economic development corporation, and the enactment of this chapter shall constitute the approval of the general assembly as required by section 42-64-7.1; and

(5) Other agencies, authorities, corporations or commissions, such as the off street parking corporation, created by the public laws of the state for the benefit of the city of Providence or by city ordinance.

(c) For the benefit of the district, the corporation shall have the power to enter into agreements with the city of Providence for: (1) the exercise of powers for tax increment financing as provided for in chapter 45-33.2; and (2) the imposition of impact fees as provided for in chapter 45-22.4 in order to provide infrastructure capacity to or make physical improvements within the district.

(d) To facilitate the redevelopment of certain state-owned properties which shall become available by relocation of interstate route 195, the corporation is empowered to supervise the

8-11 redevelopment and improvement of this land through the solicitation, negotiation, execution and
8-12 enforcement of comprehensive agreements for the redevelopment through privately-funded
8-13 qualifying projects. The corporation is further authorized and directed to take advantage of
8-14 private sector efficiencies in designing, developing and constructing qualifying institutional
8-15 projects, which include components that specifically improve public education, public services
8-16 and infrastructure. The corporation is further authorized and directed to ensure that the state and
8-17 its agencies permit and approve qualifying projects in an expedited fashion.

8-18 (e) The corporation, in carrying out this redevelopment shall ensure that all development
8-19 is consistent with and subject to the city of Providence comprehensive plan pursuant to section
8-20 45-22.2, Zoning Ordinance, pursuant to section 45-24 and the I-195 Old Harbor Plan. As
8-21 consistent with those plans, these properties can then be utilized for the expansion of institutiona
8-22 use. The clearance of highway structures, replatting, redevelopment and improvement of this lan
8-23 in recognition of the I-195 Old Harbor Plan (October 1992) shall spur the economic developmen
8-24 and the improvement of public education, public services, and infrastructure. Thus, this clearanc
8-25 of highway structures, replanning, redevelopment and improvement is hereby declared a public
8-26 purpose.

8-27 (f) If comprehensive agreements are entered into pursuant to the provisions of this
8-28 chapter, the board is hereby authorized and directed to expedite the consideration and issuance o
8-29 permits and approvals necessary for development, construction, and operation of qualifying
8-30 projects.

8-31 **42-140-9. Electors and elections. -- (a) Electors. The electors of the district(s) shall**
8-32 **include electors of the city and/or owners of real property of the city and/or district(s) ratepayers**

8-33 **(b) Elections. In the event that exercise of any powers of the corporation require**
8-34 **approval by vote within the district, the corporation shall have the power to organize and conduc**
9-1 **such election in a manner consistent with requirements of law and in conjunction with the city, a**
9-2 **necessary or appropriate.**

9-3 **42-140-10. Records – Reports - Inspection. -- The corporation shall at all times keep**
9-4 **full and accurate accounts of its receipts, expenditures, disbursements, assets, and liabilities,**
9-5 **which shall be open to inspection by any officer or duly appointed agent of the city. The**
9-6 **corporation shall report annually on: (a) its finances; and (b) on the activities undertaken, the**
9-7 **progress made in meeting goals and objectives set forth in its plans, and its proposed activities f**

the next year. Copies of these reports shall be submitted to the mayor and the city council. The corporation shall conform with the open meetings law, chapter 42-46, and the open records law, chapter 38-2, in the same manner as required of the city, and the board of directors and the employees of the corporation shall be subject to the code of ethics set forth in chapter 36-14.

42-140-11. Termination or dissolution of district. -- Upon termination or dissolution of the corporation, the title to all funds and other properties owned by it which remain after payment of all bonds and notes and other obligations and liabilities of the corporation shall vest the city's redevelopment agency.

42-140-12. Inconsistent laws or ordinances inoperative. -- Except as otherwise provided herein, any provisions of any special law and part of any special law and all ordinances and parts of ordinances pertaining to development within the district which are inconsistent with the provisions of this chapter shall be inoperative and cease to be effective. The provisions of this chapter shall be deemed to provide an exclusive, additional, alternative, and complete method for the doing of the things authorized hereby and shall be deemed and construed to be supplemental and additional to, and not in derogation of, powers conferred upon the corporation by law and or the city by its chapter; provided, however, that insofar as the express provisions of this chapter are inconsistent with the provisions of any general or special law, administrative order or regulation, or ordinance of the city, the provisions of this chapter shall be controlling.

42-140-13. Pledge not to alter rights of district. -- The state does hereby pledged to and agree with the holders of the bonds, notes, and other evidences of indebtedness of the corporation that the state and the city will not limit or alter rights hereby vested in the corporation, which affect the capacity or ability of the corporation to meet its obligations regarding bonds, notes or other forms of indebtedness, until the bonds, notes, or other evidences of indebtedness, together with interest thereon, with interest on any unpaid installment of interest and all costs and expenses in connection with an actions or proceedings by or on behalf of the bondholders and noteholders, are fully met and discharged.

42-140-14. Severability. -- If any provision of this chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the chapter, which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.

SECTION 2. Section 42-64-7.1 of the General Laws in Chapter 42-64 entitled "Rhode

10-5 Island Economic Development Corporation" is hereby amended to read as follows:

10-6 **42-64-7.1. Subsidiaries.** -- (a) (1) The parent corporation shall have the right to exercise

10-7 and perform its powers and functions, or any of them, through one or more subsidiary

10-8 corporations whose creation shall be approved and authorized by the general assembly.

10-9 (2) (i) Express approval and authorization of the general assembly shall be deemed to

10-10 have been given for all legal purposes on July 1, 1995 for the creation and lawful management of

10-11 a subsidiary corporation created for the management of the Quonset Point/Davisville Industrial

10-12 Park, that subsidiary corporation being managed by a board of directors, the members of which

10-13 shall be constituted as follows: (i) two (2) members who shall be appointed by the town council

10-14 of the town of North Kingstown; (ii) two (2) members who shall be residents of the town of North

10-15 Kingstown appointed by the governor; (iii) four (4) members who shall be appointed by the

10-16 governor; (iv) the chairperson, who shall be the executive director of the economic development

10-17 corporation; and (v) non-voting members, who shall include the members of the general assembly

10-18 whose districts are comprised in any part by areas located within the town of North Kingstown

10-19 and one non-voting member who shall be a resident of the town of Jamestown, appointed by the

10-20 town council of the town of Jamestown. Upon receipt of approval and authorization from the

10-21 general assembly, the parent corporation by resolution of the board of directors may direct any of

10-22 its directors, officers, or employees to create subsidiary corporations pursuant to chapter 1.2 or 6

10-23 of title 7 or in the manner described in subsection (b); provided, that the parent corporation shall

10-24 not have any power or authority to create, empower or otherwise establish any corporation,

10-25 subsidiary corporation, corporate body or any form of partnership or any other separate entity,

10-26 without the express approval and authorization of the general assembly.

10-27 The approval and authorization provided herein shall terminate upon the establishment

10-28 of the Quonset Development Corporation as provided for in chapter 64.10 of this title.

10-29 (ii) The Quonset Development Corporation shall be deemed a subsidiary of the

10-30 corporation:

10-31 (A) As set forth in section 42-64.10-6(c); and

10-32 (B) Insofar as it exercises any powers and duties delegated to it by the corporation

10-33 pursuant to this chapter for any project other than on real and personal property owned, leased or

10-34 under the control of the corporation located in the town of North Kingstown, and the corporation

11-1 shall be deemed to have authority to delegate any of its powers, with the exception of the power

to issue any form of negotiable bonds or notes and the power of eminent domain, in order to accomplish the purposes of chapter 64.10 of this title; provided, however, that the corporation may, as provided for in this chapter, issue bonds or exercise the power of eminent domain on behalf of the Quonset Development Corporation or to undertake a project of the Quonset Development Corporation.

(b) As used in this section, "subsidiary public corporation" means a corporation created pursuant to the provisions of this section. The person or persons directed by the resolution referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the purpose or purposes for which the subsidiary public corporation is organized which shall not be more extensive than the purposes of the corporation set forth in section 42-64-5; (4) the number of directors (which may, but need not be, more than one) constituting the initial board of directors and their names and business or residence addresses; (5) the name and business or residence address of the person preparing the articles of incorporation; (6) the date when corporate existence shall begin (which shall not be earlier than the filing of the articles of incorporation with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with law, which the board of directors elect to set forth in the articles of incorporation for the regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the form of authorization and approval by the general assembly and to the resolution of the board of directors authorizing the preparation of the articles of incorporation. Duplicate originals of the articles of incorporation shall be delivered to the secretary of state. If the secretary of state finds that the articles of incorporation conform to the provisions of this subsection, the secretary shall endorse on each of the duplicate originals the word "Filed," and the month, day and year of the filing; file one of the duplicate originals in his or her office; and a certificate of incorporation to which the secretary shall affix the other duplicate original. No filing fees shall be payable upon the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon a later date specified in the articles of incorporation, the corporate existence shall begin and the certificate of incorporation shall be conclusive evidence that all conditions precedent required to be performed have been complied with and that the subsidiary public corporation has been duly and validly incorporated under the provisions hereof. The parent corporation may transfer to any subsidiary public corporation any moneys, real, personal, or mixed property or any project in

order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent corporation except to the extent that the articles of incorporation of the subsidiary public corporation shall contain an express limitation and except that the subsidiary public corporation shall not have the condemnation power contained in section 42-64-9, nor shall it have the powers contained in, or otherwise be subject to, the provisions of section 42-64-12 and section 42-64-13(a), nor shall it have the power to create, empower or otherwise establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any other separate entity, without the express approval and authorization of the general assembly.

(c) Any subsidiary corporation shall not be subject to the provisions of section 42-64-8(a), (c), and (d), except as otherwise provided in the articles of incorporation of the subsidiary corporation.

(d) The corporation, as the parent corporation of the Rhode Island Airport Corporation, shall not be liable for the debts or obligations or for any actions or inactions of the Rhode Island Airport Corporation, unless the corporation expressly agrees otherwise in writing.

(e) The East Providence Waterfront District and the Providence Development Corporation shall, with the approval of its commission and the board of directors of the corporation, be a subsidiary of the corporation for the purposes of exercising such powers of the corporation as the board of directors shall determine, and notwithstanding the requirements of paragraph (b) above, the act creating the ~~District~~ East Providence Waterfront District and the Providence Development Corporation District shall be deemed fully satisfactory for the purposes of this section regarding the establishment of subsidiary public corporations, and the express approval and authorization of the general assembly shall be deemed to have been given for all legal purposes for the creation and lawful management of a subsidiary corporation created for the purposes of implementing the purposes of the ~~District~~ East Providence Waterfront District and the Providence Development Corporation District.

(f) The parent corporation is hereby authorized and empowered to create a subsidiary corporation for the expressed purpose to issue bonds and notes of the type and for those projects and purposes specified in the Joint Resolution and Act of the General Assembly adopted by the Rhode Island House of Representatives and the Rhode Island Senate.

SECTION 3. Section 45-32-5 of the General Laws in Chapter 45-32 entitled

12-30 "Redevelopment Projects" is hereby amended to read as follows:

12-31 **45-32-5. Corporate powers of agencies.** -- (a) Each redevelopment agency constitutes a
12-32 public body, corporate and politic, exercising public and essential governmental functions, and
12-33 has all the powers necessary and convenient to carry out and effectuate the purposes and
12-34 provisions of chapters 31 -- 33 of this title, including the powers enumerated in this section in
13-1 addition to others granted by these chapters:

13-2 (1) To sue and be sued; to borrow money; to compromise and settle claims; to have a
13-3 seal; and to make and execute contracts and other instruments necessary or convenient to the
13-4 exercise of its powers.

13-5 (2) To make, and, from time to time, amend and repeal bylaws, rules, and regulations,
13-6 consistent with chapters 31 -- 33 of this title, to carry into effect the powers and purposes of these
13-7 chapters.

13-8 (3) To select and appoint officers, agents, counsel, and employees, permanent and
13-9 temporary, as it may require, and determine their qualifications, duties, and compensation.

13-10 (4) Within the redevelopment area or for purposes of redevelopment: to purchase, lease,
13-11 obtain an option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal
13-12 property, or any estate or interest in it, together with any improvements on it; to acquire by the
13-13 exercise of the power of eminent domain any real property or any estate or interest in it, although
13-14 temporarily not required to achieve the purposes of chapters 31 -- 33 of this title; to clear,
13-15 demolish, or remove any and all buildings, structures, or other improvements from any real
13-16 property so acquired; to rehabilitate or otherwise improve any or all substandard buildings,
13-17 structures, or other improvements; to insure or provide for the insurance of any real or personal
13-18 property or operations of the agency against risk or hazard; and to rent, maintain, rehabilitate,
13-19 improve, manage, operate, repair, and clear the property.

13-20 (5) To develop as a building site or sites any real property owned or acquired by it.

13-21 (6) To cause streets and highways to be laid out and graded, and pavements or other road
13-22 surfacing, sidewalks, and curbs, public utilities of every kind, parks, playgrounds, and other
13-23 recreational areas, off street parking areas and other public improvements to be constructed and
13-24 installed.

13-25 (7) To prepare or have prepared all plans necessary for the redevelopment of blighted
13-26 and substandard areas; with the consent and approval of the community planning commission, to

13-27 carry on and perform, for and on behalf of the commission, all or any part of the planning
13-28 activities and functions within the community; to undertake and perform, for the community,
13-29 industrial, commercial, and family relocation services; to obtain appraisals and title searches; to
13-30 make investigations, studies, and surveys of physical, economic, and social conditions and trends
13-31 pertaining to a community; to develop, test, and report methods and techniques and carry out
13-32 research and other activities for the prevention and the elimination of blighted and substandard
13-33 conditions and to apply for, accept, and utilize grants of funds from the federal government and
13-34 other sources for those purposes; and to enter upon any building or property in any
14-1 redevelopment area in order to make investigations, studies, and surveys, and, in the event entry
14-2 is denied or resisted, an agency may petition the superior court in and for the county in which the
14-3 land lies for an order for this purpose. Upon the filing of a petition, due notice of it shall be served
14-4 on the person denying or resisting entry, and after a hearing on the petition, the court shall enter
14-5 an order granting or denying the petition.

14-6 (8) To undertake technical assistance to property owners and other private persons to
14-7 encourage, implement, and facilitate voluntary improvement of real property.

14-8 (9) To undertake and carry out code enforcement projects pursuant to the provisions of
14-9 appropriate federal legislation.

14-10 (10) To invest any funds held in reserves or sinking funds or any funds not required for
14-11 immediate disbursement, in property or securities in which savings banks may legally invest
14-12 funds subject to their control; and to purchase its bonds at a price not more than the principal
14-13 amount and accrued interest, all bonds so purchased to be cancelled.

14-14 (11) To lend money, and to sell, lease, exchange, subdivide, transfer, assign, pledge,
14-15 encumber (by mortgage, deed of trust, or otherwise), or otherwise dispose of any real or personal
14-16 property or any estate or interest in it acquired under the provisions of chapters 31 -- 33 of this
14-17 title, to the United States, the state government, any state public body, or any private corporation,
14-18 firm, or individual at its fair value for uses in accordance with the redevelopment plan,
14-19 irrespective of the cost of acquiring and preparing the property for redevelopment. In determining
14-20 the fair value of the property for uses in accordance with the redevelopment plan, the agency shall
14-21 take into account, and give consideration to, the uses and purposes required by the plan, the
14-22 restrictions upon, and the obligations assumed by the purchaser or lessee of the property, and the
14-23 objectives of the redevelopment plan for the prevention of the recurrence of blighted and

14-24 substandard conditions. Any lease or sale of the property may be made without public bidding
14-25 provided, that no sale or lease is made until at least ten (10) days after the legislative body of the
14-26 community has received from the agency a report concerning the proposed sale or lease.

14-27 (12) To obligate the purchaser or lessee of any real or personal property or any estate or
14-28 interest in it to:

14-29 (i) Use the property only for the purpose and in the manner stated in the redevelopment
14-30 plan;

14-31 (ii) Begin and complete the construction or rehabilitation of any structure or
14-32 improvement within a period of time which the agency fixes as reasonable; and

14-33 (iii) Comply with other conditions that in the opinion of the agency are necessary to
14-34 prevent the recurrence of blighted and substandard conditions and otherwise to carry out the
15-1 purposes of chapters 31 -- 33 of this title. The agency, by contractual provisions, may make any
15-2 of the purchasers' or lessees' obligations, covenants, or conditions running with the land, and may
15-3 provide that, upon breach thereof, the fee reverts to the agency.

15-4 (13) To exercise all or any part or combination of the powers granted in this chapter.

15-5 (b) Nothing contained in this chapter authorizes an agency to construct any new
15-6 buildings for residential, commercial, or industrial uses contemplated by the redevelopment plan.

15-7 (c) Nothing contained in this chapter authorizes an agency to retain for a period in excess
15-8 of five (5) years from the date of acquisition, or within another additional period of time that the
15-9 legislative body fixes as reasonable, the fee or any estate or interest in it to any building,
15-10 structure, or other improvement, not demolished or otherwise removed, which has been acquired
15-11 by the agency in accordance with the redevelopment plan.

15-12 (d) In order to provide for the coordinated, consolidated and efficient exercise of public
15-13 development powers the redevelopment agency in the city of Providence shall have the powers of
15-14 a municipal public building authority as provided for in chapter 45-50 and the Providence Off
15-15 Street Parking Authority in accordance with public law 306 of 1985, as amended.

15-16 SECTION 4. Construction of act. This act, being necessary for the orderly development
15-17 of the state and the city, shall be liberally construed to effect the purposes hereof. Nothing
15-18 contained in this act, however, shall be construed to enable, authorize or empower the Providence
15-19 Development Corporation or its board to exercise the execute power of the state of Rhode Island.

15-20 SECTION 5. Severability. This act shall be construed in all respects to meet all

15-21 constitutional requirements. In carrying out the purposes and provisions of this act, all steps shall
15-22 be taken which are necessary to meet constitutional or other legal requirements whether or not
15-23 these steps are expressly required by statute. If, after the application of the provisions of this
15-24 section, any of the provisions of this at, or its application to any circumstances, shall be held
15-25 unconstitutional by any court of competent jurisdiction, that decision shall not affect or impair the
15-26 validity of the application of those provisions to other circumstances or the validity of any of the
15-27 other provisions of this act.

15-28 SECTION 6. This act shall take effect upon passage.

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**EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF**

**A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT**

16-1 This act would create the Providence development corporation to plan, implement
16-2 administer, and oversee redevelopment initiatives.

16-3 This act would take effect upon passage.

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1 affect the well-being of the people of the city and the metropolitan area for generations, thus
2 diverse, high quality development is critically important.

3 **42-140-2. Purposes. – The purposes of this chapter are:**

4 (a) To plan, implement, administer, and oversee redevelopment initiatives in the district
5 under the control of the Providence Development Corporation; and

6 (b) To authorize, provide for, and facilitate the consolidated exercise of development and
7 redevelopment powers existing at the state and local levels.

8 **42-140-3. Definitions. – As used in this chapter, the following words and terms shall**
9 **have the following meaning:**

10 (a) "Acquiring authority" means an acquiring authority as defined in Chapter of Title 37.

11 (b) "Comprehensive agreement" means a comprehensive agreement between the board
12 and those persons obligated to undertake a qualifying project as set forth in this section.

13 (c) "Plan" means the I-195 Old Harbor Plan adopted by the city of Providence.

14 (d) "Project area" means that area bounded by Pine Street, Chestnut Street, Clifford Street
15 and the new service road as laid out in the plan.

16 **42-140-4. Providence development corporation created. – The Providence**
17 **development corporation is hereby constituted as an independent public instrumentality and body**
18 **corporate and politic for the purposes set forth in this chapter with a separate legal existence from**
19 **the city and from the state and the exercise by the corporation of the powers conferred by this**
20 **chapter shall be deemed and held to be the performance of an essential public function. The**
21 **Providence development corporation shall oversee, plan, implement, and administer development**
22 **in the district defined in a plan entitled "A Vision for Providence 2020." The city may, by**
23 **ordinance, limit the district to an area smaller than defined in the plan "A Vision for Providence**
24 **2020." It is the intent of the general assembly by the passage of this chapter to vest in the**
25 **corporation all powers, authority, rights, privileges, and titles which may be necessary to enable it**
26 **to accomplish the purposes herein set forth, and this chapter and the powers granted hereby shall**
27 **be liberally construed in conformity with those purposes.**

28 **42-140-5. Planning. – The corporation shall function and conduct its business and**
29 **activities in a manner consistent with plans approved for the corporation by the city and the**
30 **Providence city plan commission, and as appropriate or necessary, by the Rhode Island economic**
31 **development corporation. Such plans may be prepared without limitation by the corporation in**
32 **order to achieve the purposes of this chapter, and shall be subject to such state and local approvals**
33 **as are expressly provided for in this chapter. The corporation's district plan(s) shall conform with**
34 **the comprehensive plan and land development regulations of the city. The corporation's**

1 approved plan for the district(s) shall be considered, in whole or part as appropriate for adoption
2 as an element of the state guide plan by the state planning council and for incorporation into a
3 special area management plan, which includes the district(s), by the Coastal Resources
4 Management Council.

5 42-140-6. Corporation governance -- Board of directors. -- The powers of the
6 corporation shall be exercised by a board of directors as herein provided.

7 (a) Membership of the board of directors. There shall be a board of directors of seventeen
8 (17) members; thirteen (13) of whom shall be voting members; and four (4) of whom shall be
9 nonvoting members. Seven (7) members shall be members of the Providence Redevelopment
10 Agency as appointed in accordance with section 45-31-12. One voting member shall be a
11 member of the house of representatives from the city of Providence, appointed by the speaker of
12 the house. One voting member shall be a member of the senate from the city of Providence,
13 appointed by the president of the senate. The Greater Providence Chamber of Commerce and the
14 Providence Foundation shall each submit to the mayor a list of no fewer than three (3) nominees
15 for membership. From each list, the mayor shall select one member, who will be a voting
16 member. Two (2) voting members shall be appointed by the governor. The department of
17 transportation, the department of environmental management, the economic development
18 corporation and the coastal resources management council shall each designate one of the four (4)
19 nonvoting members. The initial appointment of the designee of the Greater Providence Chamber
20 of Commerce shall be for a one year term, and the initial appointment of the designee of the
21 Providence Foundation shall be for a two (2) year term. Initial appointments by the governor
22 shall be one member for a three (3) year term and one member for a four (4) year term. After the
23 initial appointment, terms shall be for five (5) years. Members of the board of directors shall be
24 either electors or property owners of the city or persons engaged in business in the city. The
25 mayor shall appoint a member who shall be the chairperson. Each member of the board shall
26 serve until a successor is appointed and qualified. In the event of a vacancy occurring in the
27 office of a member by death, resignation, or otherwise, that vacancy shall be filled in the same
28 manner as an original appointment, but only for the remainder of the term of the former member.

29 (b) The members of the board of directors shall receive no compensation for the
30 performance of their duties under this chapter, but each member shall be reimbursed for his or her
31 reasonable expenses incurred in carrying out those duties. A member may engage in private
32 employment, or in a profession or business.

33 (c) The board of directors, at its annual meeting, shall elect a vice-chairperson, secretary
34 and treasurer. A majority of the voting members shall constitute a quorum, and any action to be

1 taken by the corporation under the provisions of this chapter may be authorized by resolution
2 approved by a majority of the members present and entitled to vote at any regular or special
3 meeting at which a quorum is present. A vacancy in the membership of the corporation shall not
4 impair the right of a quorum to exercise all of the rights and perform all of the duties of the board
5 of directors.

6 (d) The board of directors shall appoint such additional officers and staff members as
7 they shall deem appropriate and shall determine the amount of reasonable compensation, if any,
8 each shall receive. The board of directors may vest in an executive director or the executive
9 director's subordinates the authority to appoint additional staff members and to determine the
10 amount of compensation each individual shall receive.

11 (e) No full-time employee shall, during the period of his or her employment by the
12 corporation, engage in any other private employment, profession, or business, except with the
13 approval of the board of directors.

14 (f) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of
15 interest for a director, officer, or employee of any financial institution, investment banking firm,
16 brokerage firm, commercial bank, trust company, building-loan association, architecture firm,
17 insurance company, or any other firm, person, or corporation to serve as a member of the board of
18 directors, nor shall any contract or transaction between the corporation and a financial institution,
19 investment banking firm, brokerage firm, commercial bank, trust company, building-loan
20 association, architecture firm, insurance company, or other firm, person, or corporation be void or
21 voidable by reason of that service as a member of the board of directors. If any member, officer,
22 or employee of the corporation shall be interested either directly or indirectly, or shall be a
23 director, officer, or employee of or have an ownership interest (other than as the owner of the less
24 than one percent (1%) of the shares of a publicly-held corporation) in any firm or corporation
25 interested directly or indirectly in any contract with the corporation, that interest shall be
26 disclosed to the board of directors and set forth in the minutes of the board of directors, and the
27 member, officer, or employee having that ownership interest shall not participate on behalf of the
28 board of directors in the authorization of that contract. Interested members may be counted in
29 determining the presence of a quorum at a meeting of the board of directors which authorizes the
30 contract or transaction.

31 (g) Any action taken by the board of directors under the provisions of this chapter may be
32 authorized by vote at any regular or special meeting, and each vote shall take effect immediately.
33 All meetings shall be open to the public, and all records, shall be a matter of public record, except
34 that if a majority of the board of directors decides, consistent with the requirements of the open

1 meetings law, that it would be in the best interest of the corporation and the city and/or the state
2 to hold an executive session in private, then the board of directors shall be authorized to transact
3 any business as allowable under law at that executive session in private, and the record of the
4 executive session shall not become a matter of public record until the transaction discussed has in
5 the opinion of the board of directors been completed.

6 (h) Employees of the corporation shall not, by reason of their employment, be deemed to
7 be employees of the state or the city for any purpose, any other provision of the general laws;
8 charter, or ordinance to the contrary notwithstanding.

9 **42-140-7. Powers of the board of directors. –** The board of directors shall have all the
10 rights and powers necessary or convenient to carry out and effectuate this chapter, including, but
11 not limited to, the rights and powers:

12 (a) To sue and be sued, complain and defend, in its corporate name.

13 (b) To have a seal which may be altered at pleasure and to use the seal by causing it, or a
14 facsimile of the seal, to be impressed or affixed, or in any other manner reproduced.

15 (c) To purchase, receive, lease, or otherwise own, hold, improve, use, and otherwise deal
16 in and with, real or personal property, or any interest in real or personal property wherever
17 situated.

18 (d) To acquire any land, or any interest herein, by the exercise of the power of eminent
19 domain.

20 (e) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of
21 all or any part of its property and assets for any consideration and upon any terms and conditions
22 as the board of directors shall determine.

23 (f) To make contracts and guarantees, incur liabilities and borrow money at any rates of
24 interest as the board of directors may determine.

25 (g) To make and execute agreements of lease, conditional sales contracts, installment
26 sales contracts, loan agreements, mortgages, construction contracts, operation contracts and other
27 contracts and instruments necessary or convenient in the exercise of the powers and functions of
28 the board of directors granted by this chapter.

29 (h) To lend money for its purposes, invest and reinvest its funds, and at its option to take
30 and hold real and personal property as security for the payment of funds so loaned or invested.

31 (i) To acquire or contract to acquire, from any person, firm, corporation, municipality, the
32 federal government, or the state, or any agency of either the federal government or the state, by
33 grant, purchase, lease, gift, condemnation, or otherwise, or to obtain options for the acquisition of
34 any property, real or personal, improved or unimproved, and interests in land less than the fee

1 thereof, and to own, hold, clear, improve, develop, and rehabilitate, and to sell, assign, exchange,
2 transfer, convey, lease, mortgage, or otherwise dispose or encumber that property for the
3 purposes of carrying out the provisions and intent of this chapter, for any consideration as the
4 board of directors shall determine, and to retain a master developer for all or any portion of a
5 project.

6 (j) To conduct its activities, carry on its operations, and have offices and exercise the
7 powers granted by this chapter, within or outside of the state.

8 (k) To elect or appoint officers and agents of the corporation and define their duties and
9 fix their compensation.

10 (l) To make and alter bylaws, not inconsistent with this chapter, for the administration
11 and regulation of the affairs of the corporation, and those bylaws may contain provisions
12 indemnifying any person who is or was a commissioner, officer, employee, or agent of the
13 corporation.

14 (m) To be a promoter, partner, member, associate, or manager of any partnership,
15 enterprise, or venture within the district and to engage in promotional marketing, and similar
16 activities for the benefit of the corporation.

17 (n) To enter into contracts, agreements, and cooperative agreements with the city and its
18 agencies and instrumentalities and the state and its agencies and instrumentalities for the sharing
19 of personnel and other resources.

20 (o) To have and exercise all powers necessary or convenient to effect its purposes;
21 provided, however, that the corporation shall not have any power to create, empower or otherwise
22 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
23 other separate entity without the express approval and authorization of the city council.

24 (p) To acquire or condemn certain state-owned property declared surplus by the
25 department of transportation after construction and demolition of interstate route 195. The
26 corporation recognizes that the department of transportation will perform fair market value
27 appraisals to establish the value for these properties in accordance with U.S. department of
28 transportation, federal highway administration guidelines, specifically the code of federal
29 regulations 23CFR, Part 713 (Right-of-Way The Property Management Function). The
30 corporation must seek and secure the written consent to acquire or condemn said surplus property
31 from the state of Rhode Island, the department of transportation, prior to any action being taken.

32 **42-140-8. Additional general powers.** -- In addition to the powers of the corporation
33 otherwise provided herein, the corporation shall have the powers set forth below and shall be
34 subject to the limitations herein set forth. Except as may be expressly limited by action of the

1 corporation at a regular or special meeting, the board of directors shall have the powers necessary
2 to put into effect the powers of the corporation as set forth below and as herein limited.

3 (a) The corporation is authorized and empowered to fix, revise, charge, collect and waive
4 fees, rates, rents, delinquency charges, and other charges for its services, and other services,
5 facilities, and commodities furnished or supplied by it, including penalties for violations of such
6 regulations as the corporation may from time to time promulgate under this chapter. Fees, rates,
7 rents, delinquency charges and other charges of general application shall be adopted and revised
8 by the corporation in accordance with procedures to be established by the corporation for assuring
9 that interested persons are afforded notice and an opportunity to resent data, views, and
10 arguments. The corporation shall hold at least one public hearing on its schedule of fees, rates,
11 and charges or any revision thereof prior to adoption, notice of which shall be published in a
12 newspaper of substantial circulation in the district at least fifteen (15) days in advance of the
13 hearing, and notice of the hearing shall be provided to the city council. No later than the date of
14 such publication the corporation shall make available to the public the proposed schedule of fees,
15 rates, and charges. Fees, rates, rents, and other charges established by the corporation shall not be
16 subject to supervision or regulation by any department, division, district, board, bureau, or agency
17 of the state or any of its political subdivisions. In order to provide for the collection and
18 enforcement of its fees, rates, rents, and other charges, the corporation is hereby granted all the
19 powers and privileges with respect to such collection and enforcement held by the city of liens for
20 unpaid taxes. In no event shall the corporation be permitted to levy a property tax.

21 (b) In order to provide for the consolidated and coordinated, efficient and effective
22 exercise of public development powers affecting or benefiting the redevelopment initiative in the
23 district, the corporation shall have the powers of:

24 (1) A special development district as provided for in chapter 45-24.4;

25 (2) A redevelopment agency as provided for in chapters 45-31, 45-31.1, 45-31.2, 45-32;
26 and 45-33. Within the district, the term "blighted area and substandard area" shall be deemed to
27 include areas where the presence of hazardous materials, as defined in section 23-19.14-3;
28 impairs the use, reuse, or redevelopment of impacted sites;

29 (3) A municipal public buildings authority as provided for in chapter 45-50;

30 (4) A subsidiary of the Rhode Island economic development corporation, with the
31 approval of the economic development corporation, and the enactment of this chapter shall
32 constitute the approval of the general assembly as required by section 42-64-7.1; and

1 (5) Other agencies, authorities, corporations or commissions, such as the off street
2 parking corporation, created by the public laws of the state for the benefit of the city of
3 Providence or by city ordinance.

4 (c) For the benefit of the district, the corporation shall have the power to enter into
5 agreements with the city of Providence for: (1) the exercise of powers for tax increment financing
6 as provided for in chapter 45-33.2; and (2) the imposition of impact fees as provided for in
7 chapter 45-22.4 in order to provide infrastructure capacity to or make physical improvements
8 within the district.

9 (d) To facilitate the redevelopment of certain state-owned properties which shall become
10 available by relocation of interstate route 195, the corporation is empowered to supervise the
11 redevelopment and improvement of this land through the solicitation, negotiation, execution and
12 enforcement of comprehensive agreements for the redevelopment through privately-funded
13 qualifying projects. The corporation is further authorized and directed to take advantage of
14 private sector efficiencies in designing, developing and constructing qualifying institutional
15 projects, which include components that specifically improve public education, public services
16 and infrastructure. The corporation is further authorized and directed to ensure that the state and
17 its agencies permit and approve qualifying projects in an expedited fashion.

18 (e) The corporation, in carrying out this redevelopment shall ensure that all development
19 is consistent with and subject to the city of Providence comprehensive plan pursuant to section
20 45-22.2, Zoning Ordinance, pursuant to section 45-24 and the I-195 Old Harbor Plan. As
21 consistent with those plans, these properties can then be utilized for the expansion of institutional
22 use. The clearance of highway structures, replatting, redevelopment and improvement of this land
23 in recognition of the I-195 Old Harbor Plan (October 1992) shall spur the economic development
24 and the improvement of public education, public services, and infrastructure. Thus, this clearance
25 of highway structures, replanning, redevelopment and improvement is hereby declared a public
26 purpose.

27 (f) If comprehensive agreements are entered into pursuant to the provisions of this
28 chapter, the board is hereby authorized and directed to expedite the consideration and issuance of
29 permits and approvals necessary for development, construction, and operation of qualifying
30 projects.

31 42-140-9. Electors and elections. -- (a) Electors. The electors of the district(s) shall
32 include electors of the city and/or owners of real property of the city and/or district(s) ratepayers.

33 (b) Elections. In the event that exercise of any powers of the corporation require
34 approval by vote within the district, the corporation shall have the power to organize and conduct

1 such election in a manner consistent with requirements of law and in conjunction with the city, as
2 necessary or appropriate.

3 **42-140-10. Records – Reports - Inspection. --** The corporation shall at all times keep
4 full and accurate accounts of its receipts, expenditures, disbursements, assets, and liabilities,
5 which shall be open to inspection by any officer or duly appointed agent of the city. The
6 corporation shall report annually on: (a) its finances; and (b) on the activities undertaken, the
7 progress made in meeting goals and objectives set forth in its plans, and its proposed activities for
8 the next year. Copies of these reports shall be submitted to the mayor and the city council. The
9 corporation shall conform with the open meetings law, chapter 42-46, and the open records law,
10 chapter 38-2, in the same manner as required of the city, and the board of directors and the
11 employees of the corporation shall be subject to the code of ethics set forth in chapter 36-14.

12 **42-140-11. Termination or dissolution of district. --** Upon termination or dissolution
13 of the corporation, the title to all funds and other properties owned by it which remain after
14 payment of all bonds and notes and other obligations and liabilities of the corporation shall vest in
15 the city's redevelopment agency.

16 **42-140-12. Inconsistent laws or ordinances inoperative. --** Except as otherwise
17 provided herein, any provisions of any special law and part of any special law and all ordinances
18 and parts of ordinances pertaining to development within the district which are inconsistent with
19 the provisions of this chapter shall be inoperative and cease to be effective. The provisions of this
20 chapter shall be deemed to provide an exclusive, additional, alternative, and complete method for
21 the doing of the things authorized hereby and shall be deemed and construed to be supplemental
22 and additional to, and not in derogation of, powers conferred upon the corporation by law and on
23 the city by its chapter; provided, however, that insofar as the express provisions of this chapter
24 are inconsistent with the provisions of any general or special law, administrative order or
25 regulation, or ordinance of the city, the provisions of this chapter shall be controlling.

26 **42-140-13. Pledge not to alter rights of district. --** The state does hereby pledged to
27 and agree with the holders of the bonds, notes, and other evidences of indebtedness of the
28 corporation that the state and the city will not limit or alter rights hereby vested in the
29 corporation, which affect the capacity or ability of the corporation to meet its obligations
30 regarding bonds, notes or other forms of indebtedness, until the bonds, notes, or other evidences
31 of indebtedness, together with interest thereon, with interest on any unpaid installment of interest
32 and all costs and expenses in connection with an actions or proceedings by or on behalf of the
33 bondholders and noteholders, are fully met and discharged.

34 **42-140-14. Severability. --** If any provision of this chapter or the application thereof to

1 any person or circumstances is held invalid, such invalidity shall not affect other provisions or
2 applications of the chapter, which can be given effect without the invalid provision or application,
3 and to this end the provisions of this chapter are declared to be severable.

4 SECTION 2. Section 42-64-7.1 of the General Laws in Chapter 42-64 entitled "Rhode
5 Island Economic Development Corporation" is hereby amended to read as follows:

6 **42-64-7.1. Subsidiaries.** -- (a) (1) The parent corporation shall have the right to exercise
7 and perform its powers and functions, or any of them, through one or more subsidiary
8 corporations whose creation shall be approved and authorized by the general assembly.

9 (2) (i) Express approval and authorization of the general assembly shall be deemed to
10 have been given for all legal purposes on July 1, 1995 for the creation and lawful management of
11 a subsidiary corporation created for the management of the Quonset Point/Davisville Industrial
12 Park, that subsidiary corporation being managed by a board of directors, the members of which
13 shall be constituted as follows: (i) two (2) members who shall be appointed by the town council
14 of the town of North Kingstown; (ii) two (2) members who shall be residents of the town of North
15 Kingstown appointed by the governor; (iii) four (4) members who shall be appointed by the
16 governor; (iv) the chairperson, who shall be the executive director of the economic development
17 corporation; and (v) non-voting members, who shall include the members of the general assembly
18 whose districts are comprised in any part by areas located within the town of North Kingstown
19 and one non-voting member who shall be a resident of the town of Jamestown, appointed by the
20 town council of the town of Jamestown. Upon receipt of approval and authorization from the
21 general assembly, the parent corporation by resolution of the board of directors may direct any of
22 its directors, officers, or employees to create subsidiary corporations pursuant to chapter 1.2 or 6
23 of title 7 or in the manner described in subsection (b); provided, that the parent corporation shall
24 not have any power or authority to create, empower or otherwise establish any corporation,
25 subsidiary corporation, corporate body or any form of partnership or any other separate entity,
26 without the express approval and authorization of the general assembly.

27 The approval and authorization provided herein shall terminate upon the establishment
28 of the Quonset Development Corporation as provided for in chapter 64.10 of this title.

29 (ii) The Quonset Development Corporation shall be deemed a subsidiary of the
30 corporation:

31 (A) As set forth in section 42-64.10-6(c); and

32 (B) Insofar as it exercises any powers and duties delegated to it by the corporation
33 pursuant to this chapter for any project other than on real and personal property owned, leased or
34 under the control of the corporation located in the town of North Kingstown, and the corporation

1 shall be deemed to have authority to delegate any of its powers, with the exception of the power
2 to issue any form of negotiable bonds or notes and the power of eminent domain, in order to
3 accomplish the purposes of chapter 64.10 of this title; provided, however, that the corporation
4 may, as provided for in this chapter, issue bonds or exercise the power of eminent domain on
5 behalf of the Quonset Development Corporation or to undertake a project of the Quonset
6 Development Corporation.

7 (b) As used in this section, "subsidiary public corporation" means a corporation created
8 pursuant to the provisions of this section. The person or persons directed by the resolution
9 referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of
10 the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the
11 purpose or purposes for which the subsidiary public corporation is organized which shall not be
12 more extensive than the purposes of the corporation set forth in section 42-64-5; (4) the number
13 of directors (which may, but need not be, more than one) constituting the initial board of directors
14 and their names and business or residence addresses; (5) the name and business or residence
15 address of the person preparing the articles of incorporation; (6) the date when corporate
16 existence shall begin (which shall not be earlier than the filing of the articles of incorporation
17 with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with
18 law, which the board of directors elect to set forth in the articles of incorporation for the
19 regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the
20 form of authorization and approval by the general assembly and to the resolution of the board of
21 directors authorizing the preparation of the articles of incorporation. Duplicate originals of the
22 articles of incorporation shall be delivered to the secretary of state. If the secretary of state finds
23 that the articles of incorporation conform to the provisions of this subsection, the secretary shall
24 endorse on each of the duplicate originals the word "Filed," and the month, day and year of the
25 filing; file one of the duplicate originals in his or her office; and a certificate of incorporation to
26 which the secretary shall affix the other duplicate original. No filing fees shall be payable upon
27 the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon
28 a later date specified in the articles of incorporation, the corporate existence shall begin and the
29 certificate of incorporation shall be conclusive evidence that all conditions precedent required to
30 be performed have been complied with and that the subsidiary public corporation has been duly
31 and validly incorporated under the provisions hereof. The parent corporation may transfer to any
32 subsidiary public corporation any moneys, real, personal, or mixed property or any project in
33 order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all
34 the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent

1 corporation except to the extent that the articles of incorporation of the subsidiary public
2 corporation shall contain an express limitation and except that the subsidiary public corporation
3 shall not have the condemnation power contained in section 42-64-9, nor shall it have the powers
4 contained in, or otherwise be subject to, the provisions of section 42-64-12 and section 42-64-
5 13(a), nor shall it have the power to create, empower or otherwise establish any corporation,
6 subsidiary corporation, corporate body, any form of partnership, or any other separate entity,
7 without the express approval and authorization of the general assembly.

8 (c) Any subsidiary corporation shall not be subject to the provisions of section 42-64-
9 8(a), (c), and (d), except as otherwise provided in the articles of incorporation of the subsidiary
10 corporation.

11 (d) The corporation, as the parent corporation of the Rhode Island Airport Corporation,
12 shall not be liable for the debts or obligations or for any actions or inactions of the Rhode Island
13 Airport Corporation, unless the corporation expressly agrees otherwise in writing.

14 (e) The East Providence Waterfront District and the Providence Development
15 Corporation shall, with the approval of its commission and the board of directors of the
16 corporation, be a subsidiary of the corporation for the purposes of exercising such powers of the
17 corporation as the board of directors shall determine, and notwithstanding the requirements of
18 paragraph (b) above, the act creating the ~~District~~ East Providence Waterfront District and the
19 Providence Development Corporation District shall be deemed fully satisfactory for the purposes
20 of this section regarding the establishment of subsidiary public corporations, and the express
21 approval and authorization of the general assembly shall be deemed to have been given for all
22 legal purposes for the creation and lawful management of a subsidiary corporation created for the
23 purposes of implementing the purposes of the ~~District~~ East Providence Waterfront District and
24 the Providence Development Corporation District.

25 (f) The parent corporation is hereby authorized and empowered to create a subsidiary
26 corporation for the expressed purpose to issue bonds and notes of the type and for those projects
27 and purposes specified in the Joint Resolution and Act of the General Assembly adopted by the
28 Rhode Island House of Representatives and the Rhode Island Senate.

29 SECTION 3. Section 45-32-5 of the General Laws in Chapter 45-32 entitled
30 "Redevelopment Projects" is hereby amended to read as follows:

31 **45-32-5. Corporate powers of agencies.** -- (a) Each redevelopment agency constitutes a
32 public body, corporate and politic, exercising public and essential governmental functions, and
33 has all the powers necessary and convenient to carry out and effectuate the purposes and
34 provisions of chapters 31 -- 33 of this title, including the powers enumerated in this section in

1 addition to others granted by these chapters:

2 (1) To sue and be sued; to borrow money; to compromise and settle claims; to have a
3 seal; and to make and execute contracts and other instruments necessary or convenient to the
4 exercise of its powers.

5 (2) To make, and, from time to time, amend and repeal bylaws, rules, and regulations,
6 consistent with chapters 31 -- 33 of this title, to carry into effect the powers and purposes of these
7 chapters.

8 (3) To select and appoint officers, agents, counsel, and employees, permanent and
9 temporary, as it may require, and determine their qualifications, duties, and compensation.

10 (4) Within the redevelopment area or for purposes of redevelopment: to purchase, lease,
11 obtain an option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal
12 property, or any estate or interest in it, together with any improvements on it; to acquire by the
13 exercise of the power of eminent domain any real property or any estate or interest in it, although
14 temporarily not required to achieve the purposes of chapters 31 -- 33 of this title; to clear,
15 demolish, or remove any and all buildings, structures, or other improvements from any real
16 property so acquired; to rehabilitate or otherwise improve any or all substandard buildings,
17 structures, or other improvements; to insure or provide for the insurance of any real or personal
18 property or operations of the agency against risk or hazard; and to rent, maintain, rehabilitate,
19 improve, manage, operate, repair, and clear the property.

20 (5) To develop as a building site or sites any real property owned or acquired by it.

21 (6) To cause streets and highways to be laid out and graded, and pavements or other road
22 surfacing, sidewalks, and curbs, public utilities of every kind, parks, playgrounds, and other
23 recreational areas, off street parking areas and other public improvements to be constructed and
24 installed.

25 (7) To prepare or have prepared all plans necessary for the redevelopment of blighted
26 and substandard areas; with the consent and approval of the community planning commission, to
27 carry on and perform, for and on behalf of the commission, all or any part of the planning
28 activities and functions within the community; to undertake and perform, for the community,
29 industrial, commercial, and family relocation services; to obtain appraisals and title searches; to
30 make investigations, studies, and surveys of physical, economic, and social conditions and trends
31 pertaining to a community; to develop, test, and report methods and techniques and carry out
32 research and other activities for the prevention and the elimination of blighted and substandard
33 conditions and to apply for, accept, and utilize grants of funds from the federal government and
34 other sources for those purposes; and to enter upon any building or property in any

1 redevelopment area in order to make investigations, studies, and surveys, and, in the event entry
2 is denied or resisted, an agency may petition the superior court in and for the county in which the
3 land lies for an order for this purpose. Upon the filing of a petition, due notice of it shall be served
4 on the person denying or resisting entry, and after a hearing on the petition, the court shall enter
5 an order granting or denying the petition.

6 (8) To undertake technical assistance to property owners and other private persons to
7 encourage, implement, and facilitate voluntary improvement of real property.

8 (9) To undertake and carry out code enforcement projects pursuant to the provisions of
9 appropriate federal legislation.

10 (10) To invest any funds held in reserves or sinking funds or any funds not required for
11 immediate disbursement, in property or securities in which savings banks may legally invest
12 funds subject to their control; and to purchase its bonds at a price not more than the principal
13 amount and accrued interest, all bonds so purchased to be cancelled.

14 (11) To lend money, and to sell, lease, exchange, subdivide, transfer, assign, pledge,
15 encumber (by mortgage, deed of trust, or otherwise), or otherwise dispose of any real or personal
16 property or any estate or interest in it acquired under the provisions of chapters 31 -- 33 of this
17 title, to the United States, the state government, any state public body, or any private corporation,
18 firm, or individual at its fair value for uses in accordance with the redevelopment plan,
19 irrespective of the cost of acquiring and preparing the property for redevelopment. In determining
20 the fair value of the property for uses in accordance with the redevelopment plan, the agency shall
21 take into account, and give consideration to, the uses and purposes required by the plan, the
22 restrictions upon, and the obligations assumed by the purchaser or lessee of the property, and the
23 objectives of the redevelopment plan for the prevention of the recurrence of blighted and
24 substandard conditions. Any lease or sale of the property may be made without public bidding
25 provided, that no sale or lease is made until at least ten (10) days after the legislative body of the
26 community has received from the agency a report concerning the proposed sale or lease.

27 (12) To obligate the purchaser or lessee of any real or personal property or any estate or
28 interest in it to:

29 (i) Use the property only for the purpose and in the manner stated in the redevelopment
30 plan;

31 (ii) Begin and complete the construction or rehabilitation of any structure or
32 improvement within a period of time which the agency fixes as reasonable; and

33 (iii) Comply with other conditions that in the opinion of the agency are necessary to
34 prevent the recurrence of blighted and substandard conditions and otherwise to carry out the

1 purposes of chapters 31 -- 33 of this title. The agency, by contractual provisions, may make any
2 of the purchasers' or lessees' obligations, covenants, or conditions running with the land, and may
3 provide that, upon breach thereof, the fee reverts to the agency.

4 (13) To exercise all or any part or combination of the powers granted in this chapter.

5 (b) Nothing contained in this chapter authorizes an agency to construct any new
6 buildings for residential, commercial, or industrial uses contemplated by the redevelopment plan.

7 (c) Nothing contained in this chapter authorizes an agency to retain for a period in excess
8 of five (5) years from the date of acquisition, or within another additional period of time that the
9 legislative body fixes as reasonable, the fee or any estate or interest in it to any building,
10 structure, or other improvement, not demolished or otherwise removed, which has been acquired
11 by the agency in accordance with the redevelopment plan.

12 (d) In order to provide for the coordinated, consolidated and efficient exercise of public
13 development powers the redevelopment agency in the city of Providence shall have the powers of
14 a municipal public building authority as provided for in chapter 45-50 and the Providence Off
15 Street Parking Authority in accordance with public law 306 of 1985, as amended.

16 SECTION 4. Construction of act. This act, being necessary for the orderly development
17 of the state and the city, shall be liberally construed to effect the purposes hereof. Nothing
18 contained in this act, however, shall be construed to enable, authorize or empower the Providence
19 Development Corporation or its board to exercise the execute power of the state of Rhode Island.

20 SECTION 5. Severability. This act shall be construed in all respects to meet all
21 constitutional requirements. In carrying out the purposes and provisions of this act, all steps shall
22 be taken which are necessary to meet constitutional or other legal requirements whether or not
23 these steps are expressly required by statute. If, after the application of the provisions of this
24 section, any of the provisions of this at, or its application to any circumstances, shall be held
25 unconstitutional by any court of competent jurisdiction, that decision shall not affect or impair the
26 validity of the application of those provisions to other circumstances or the validity of any of the
27 other provisions of this act.

28 SECTION 6. This act shall take effect upon passage.

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LC00680
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT

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