

**City of Providence**

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**CHAPTER 2004-36**

**No. 348 AN ORDINANCE GRANTING TO THE DOWNTOWN PROVIDENCE MANAGEMENT DISTRICT AUTHORIZATION TO OPERATE AS A "BUSINESS IMPROVEMENT DISTRICT"**

*Approved August 13, 2004*

***Be it ordained by the City of Providence:***

**WHEREAS**, The Providence City Council, pursuant to R.I.G.L. Title 45, Chapter 59, has the authority to establish Business Improvement Districts; and

**WHEREAS**, The Providence City Council has adopted Chapter 21, Article XIII, to provide for the creation and functioning of Business Improvement Districts; and

**WHEREAS**, Petitions bearing the signatures of the owners of more than 60% (by assessed valuation) of the real property within a proposed Downtown Providence Management District have been submitted to the Providence City Clerk; and

**WHEREAS**, The Downtown Providence Management District Authority seeks to insure the continued vitality of the business district in downtown Providence, and to retain and attract new businesses and investment; and

**WHEREAS**, Neither the state law nor this Ordinance contemplate any erosion of the City's powers and authority; and

**WHEREAS**, The petitioners agree that the City's jurisdiction to issue permits and approvals is retained, and that none of the purposes or powers included within the grant of authority contained herein shall be exercised to limit the City's jurisdiction; and

**WHEREAS**, The Providence City Council desires to set forth its expectations regarding the relationship between the Downtown Providence District Management Authority and the Council; and

**WHEREAS**, The petitioners have expressed a desire to cooperate in the implementation of the Downtown Providence Management District, so as to guarantee that the City will be held harmless and will be made whole for any claims, suits, or

uncollectible accounts arising from actions of the Downtown Providence Management District Authority; and

**WHEREAS**, The Providence City Council finds that it is in the interest of the residents of the City of Providence to grant the petition to establish the Downtown Providence Management District and to authorize the Downtown Providence District Management Authority to oversee the operations of the Downtown Providence Management District;

**Now, therefore, it is enacted as follows,**

The Providence City Council finds that:

1. The petition, constituting in the aggregate sixty percent (60%) of the aggregate assessed valuation of all real property not exempt from taxation by law, seeks to establish as the Downtown Providence Management District all property within the boundaries of Memorial Boulevard on the north with the addition of Citizens Plaza parcel (A.P. 19 Lot 10), to the Providence River on the east, to Interstate Route 195 on the south, and to Interstate Route 95 and Franklin Street on the west; separated into two sub districts: Zone One (1) and Zone Two (2) [see Exhibit A, attached]; and

2. A majority of the area of the land located within the proposed district is devoted to commercial and retail uses. Zone One (1) is the core of downtown and includes the area commonly referred to as Downcity, plus areas to the south, east and north. This area of approximately forty-nine (49) blocks has the highest need for security and maintenance services as well as a retail development program. Zone One is formed by a boundary that starts at the intersection of Kennedy Plaza and Dorrance Street and heads southeast along Dorrance Street to the intersection of Dyer Street, heads south on Dyer Street to the I-195 right of way, follows the I-195 right of way to the intersection with Chestnut Street, heads northwest along Chestnut Street to the intersection of Broad Street, heads southwest on Broad Street to the intersection of Green Street, heads northwest on Green Street to the intersection of Sabin Street, heads northeast on Sabin Street to Exchange Terrace, follows Exchange Terrace to the intersection of Kennedy Plaza, heads southwest on Kennedy Plaza to the starting point at the intersection of Kennedy Plaza and Dorrance Street. Zone Two is the area surrounding Zone One and includes the Financial District, Union Station complex, Convention Center, Regency

Plaza, Cathedral Square, and Weybosset Hill areas of downtown. This area of approximately thirty-four (34) blocks has a less intense need for security, maintenance and retail development services.

3. The Downtown Providence District Management Authority (“DPDMA”) is a body corporate and politic and an instrumentality and agency of the City of Providence, but has a legal existence distinct from the City. In exercising the powers granted to it, the DPDMA will exercise public and essential governmental functions. No part of the net earnings of the DPDMA will be distributable to, or inure to the benefit of, any private person.

4. The role of the management district is to insure the vitality of the business, residential and arts districts in downtown Providence, and to stabilize and increase the property values in the downtown area while retaining businesses and attracting new business investment. The DPDMA will have the following purposes within the management district:

- (a) To provide for the cleaning of the public streets and sidewalks and the removal of snow;
- (b) To provide for security; however, nothing contained in this section shall bestow or authorize any police powers on any security force with the district;
- (c) To install, repair and maintain public streets and sidewalks and lighting for public streets and sidewalks;
- (d) To install, repair and maintain street signs;
- (e) To provide for landscaping and the repair and maintenance of public spaces;
- (f) To provide for refuse collection and removal;
- (g) To provide for motor vehicle parking;
- (h) To sponsor and promote recreational, cultural and retail activities;
- (i) To promote the development of the management district including collecting and disseminating information;
- (j) To construct public facilities; and

(k) To provide such other services and facilities within the management district as may be beneficial to the management district and the property owners, tenants and other occupants in the district.

5. The DPDMA shall have all of the powers and purposes as defined in R.I.G.L. §45-59-10, with three limitations:

(a) The Maximum assessment rate that may be set by the DPDMA is seven percent (7%) of the total of the real property taxes levied on the ratable real property within the management district.

(b) The DPDMA shall terminate concurrently with the termination of the management District. If a management district is reestablished, the DPDMA must be reestablished.

(c) In accordance with R.I.G.L. §45-59-20, the services proved by the DPDMA will be supplemental to the service otherwise provided by the City of Providence within the management district.

(d) The City Collector may assign, by mutual consent, any and all of the collection process to the DPDMA. Said assignment shall be defined by an agreement between the City and the DPDMA.

6. Except in accordance with limitations on the DPDMA cited in Paragraph 5, the DPDMA shall have the power:

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

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

(c) To purchase, take, receive, lease, take by gift, devise or bequest, or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property or any interest in property, wherever situated, and without restriction as to amount;

(d) To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets;

(e) To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose

of, and otherwise use and deal in and with, shares or other interests in, or obligations of domestic or foreign corporations, whether for profit or not for profit, limited liability companies, associations, partnerships or individuals, or direct or indirect obligations of the United States, or of any other government, state, territory, governmental district or municipality or of any instrumentality thereof;

(f) To make contracts and guarantees and incur liabilities, borrow money, for periods of three (3) years or less, at such rates of interest as the district management authority may determine, issue its notes and other obligations, guarantee debts and secure any of its obligations by mortgage or pledge of all or any of its property, assets and income;

(g) To lend money for its purposes, invest and reinvest its funds, and to take and hold real and personal property as security for the payments of funds so loaned or invested;

(h) To elect or appoint officers and agents of the district management authority and to define their duties;

(i) To make and alter bylaws, not inconsistent with the petition or with the laws of the state, for the administration and regulation of the affairs of the DPDMA;

(j) To accept grants or funds from the state and from nonprofit corporations;

(k) To reconfigure the existing, approved Zones and alter the services provided in each, as the DPDMA may find necessary and appropriate, in its sole discretion;

(l) To have and exercise all other powers necessary or convenient to effect any or all of the purposes for which the DPDMA is created.

7. (a) The DPDMA activities will be managed by a board of directors which will consist of nine (9) members.

(b) Seven of the nine members will be appointed by the Providence Foundation as a representative of the business community as defined by R.I.G.L. §45-59-12. Four of the members appointed by the Providence Foundation must be property owners within

the District. One of the directors appointed by the organization shall be a domiciliary of the management district.

(c) A minimum of five members will at all time be property owners within the District.

(d) Two of the nine members will be appointed by the Mayor: (1) the Mayor or his or her designee; and (2) an owner of real property (not exempt from taxation by law) located within the management district ~~which is exempt from taxation by law but which is voluntarily contributing to the costs of operating the management district.~~

(e) Terms for the directors will be as follows:

(1) The Mayor will assign to the persons initially appointed by him or her terms of one and two (2) years so that the terms of the directors so appointed will expire on the last days of the first and second fiscal years respectively.

(2) The Providence Foundation will assign to the seven (7) persons initially appointed by it, terms of one (1) year (as to two (2) of them), two (2) years (as to two (2) of them), and three (3) years (as to three (3) of them) so that the terms of the directors so appointed will expire on the last days of the first, second and third fiscal years respectively.

(f) All officers and agents of the DPDMA will have such authority and perform such duties in the management of the DPDMA as may be provided in the bylaws, or as may be determined by resolution or vote of the board of directors, subject to any limitations on such authority contained in the bylaws.

8. In order to involve a broader cross-section of downtown stakeholders, eight non-voting board positions will be established as active, participatory board positions.

9. The DPDMA Governing Board will prepare an annual operating budget not later than sixty (60) days prior to the beginning of each fiscal year, containing:

(a) An estimate of surplus from its current fiscal year available for expenditure in the ensuing fiscal year;

(b) An estimate of receipts for the ensuing fiscal year from the special tax assessment provided for in this article;

(c) An estimate of receipts for the ensuing fiscal year from all other sources; and

(d) An estimate of expenditures for the ensuing fiscal year for the carrying on of the district management authority's activities including debt service, if any.

(e) Prior to the adoption of the budget, the DPDMA will hold a public hearing thereon at which all interested persons may be heard. Notice of the public hearing will be given by publication in the Providence Journal at least once a week for three (3) successive weeks prior to the date of the hearing.

10. The DPDMA will have the power to apportion the annual operating expenses of the DPDMA by a special tax assessment amongst the owners of ratable real property, not otherwise exempt by law, located within the management district. The special tax assessments made by the DPDMA are not considered to be a tax of the City for purposes of determining the maximum levy under R.I.G.L. § 44-5-2.

11. The total of the special tax assessments levied on the ratable real property within the management district will not exceed seven percent (7%) of the total of the real property taxes levied on the ratable real property within the management district, not exempt from taxation by law, for the fiscal year of the municipality that ends within or with the fiscal year of the district management authority.

12. Properties with tax stabilized development agreements will pay DPDMA assessments based upon the full assessed value of those properties as determined by the Assessor's Office.

13. Any notes or other obligations issued by the DPDMA, their transfer and the income from the notes or obligations (including any profits made on the sale of the notes or obligations), will at all times be free from taxation by the state or any political subdivision or other instrumentality of the state.

14. Notes and other obligations of a DPDMA will not be deemed to constitute the debt or a pledge of the faith and credit of the City of Providence.

**IN CITY COUNCIL**  
JUL 26 2004  
**FIRST READING**  
**READ AND PASSED**

*Michael B. Clement*  
CLERK

**APPROVED**  
*[Signature]* 8/13/04

**MAYOR**

**IN CITY COUNCIL**

AUG 5 2004  
**FINAL READING**  
**READ AND PASSED**

*Barbara Young*  
PRESIDENT **ACTING**  
*Michael B. Clement*  
CLERK