

CHAPTER 2022-66

No. 423 AN ORDINANCE ESTABLISHING A TAX STABILIZATION AGREEMENT BETWEEN THE CITY OF PROVIDENCE AND 101 RICHMOND, LLC

Approved December 21, 2022

Be it ordained by the City of Providence:

TAX STABILIZATION AGREEMENT

This agreement (“Agreement”) is made by and between the City of Providence, a Rhode Island municipal corporation (“City”) and 101 Richmond LLC (“Property Owner”) (collectively, “the parties”).

WITNESSETH:

WHEREAS, Property Owner is the owner of certain real property located in the City at 101 Richmond Street, also known as Assessor’s Plat 24, Lot 678; and

WHEREAS, Property Owner has proposed and committed to a complete rehabilitation of a structure and/or improvements on its property, thus returning the property to productive use in accordance with Rhode Island General Laws § 44-3-9 and the construction plans already submitted to the City by Property Owner; and

WHEREAS, Under Article 13, Section 5 of the Rhode Island Constitution, the General Assembly retains exclusive power over matters relating to municipal taxation. Notwithstanding, and pursuant to R.I. Gen. Laws §44-3-9, the General Assembly has authorized the City of Providence, acting through its City Council and subject to certain enumerated conditions, to exempt or determine a stabilized amount of taxes to be paid on account of real and personal property; and

WHEREAS, Pursuant to Ordinance 2021-15 No. 251, the granting of the tax stabilization will inure to the benefit of the City of Providence by reason of Property Owner’s proposal qualifying as an Eligible Project because it benefits the City of Providence by and through:

- (i) an improvement which converts or makes available land or facility that would otherwise be not developable or difficult to develop without substantial environmental remediation; and/or
- (ii) the willingness of a manufacturing or commercial or residential firm or property owner to construct new or to replace, reconstruct, convert, expand, retain or remodel existing buildings, facilities, machinery, or equipment with modern buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in plant, residential housing or commercial building investment by the firm or property owner in the City.

WHEREAS, Pursuant to Ordinance 2021-15, subsequent to “Certified Project Development Costs” as submitted in Property Owner’s Tax Stabilization Agreement Application attached hereto as Exhibit A Property Owner’s Eligible project has a hereby updated certified project development cost of \$3,272,204 and therefore falls into the following category:

- i. Category II - Certified project development costs for construction or rehabilitation are more than \$3,000,000.00 and less than or equal to \$10,000,000.00.

NOW THEREFORE, In consideration of the mutual agreements and promises set forth herein and other good and lawful consideration the receipt of which is hereby acknowledged, the parties agree as follows below:

SECTION 1. DEFINITIONS.

“Property” shall mean certain real property together with any and all buildings, structures, and/or improvements now or in the future located in the City at 101 Richmond Street, also known as Assessor’s Plat 24, Lot 678.

“Property Owner” shall mean 101 Richmond LLC, or any entity with a recorded legal or equitable right and/or interest in and/or to the Property, including any and all successors and assigns.

“Applicant” shall mean the Property Owner at the time at which the application was filed with the Tax Assessor’s Office in accordance with Section 5 of the Ordinance, or the Property Owner’s respective past, present and future subsidiaries, affiliates, officers, directors, shareholders, members, principals, trustees, agents, employees, servants and representatives, and the past, present and future subsidiaries, affiliates, officers, directors, shareholders, members, principals, trustees, agents, employees, servants and representatives, heirs, personal representatives, successors and assigns of any and all of the foregoing.

“City of Providence” or “City” shall mean that municipal corporation established and organized pursuant to the General Laws of the State of Rhode Island and the City of Providence Home Rule Charter of 1980, as amended in accordance with Article XIII of the Rhode Island Constitution.

“Providence City Council” or “City Council” shall mean the legislative body of the City of Providence (defined above) established pursuant to Article IV of the City of Providence Home Rule Charter of 1980, as amended.

“Event of Default” shall mean any occurrence after the Effective Date (defined below) of non-compliance or violation of the terms and provisions of the Ordinance (defined below), whether affirmative or by omission, negligent or willful, for any or no reason. Technical default or substantive default shall be handled in the same matter.

“Effective Date” shall mean the date upon which a tax stabilization agreement is executed in contract form and ratified by a resolution of the Providence City Council.

The “Ordinance” shall mean the ordinance passed by the City Council as Ordinance No. 2021-15 No. 251, codified, or to be codified, as Article XVIII to Chapter 21 of the Providence Code of Ordinances, pursuant to which this Agreement is made. Said Ordinance is attached hereto as Exhibit D.

SECTION 2. TAX STABILIZATION.

Section 2.1. Grant. The City, in accordance with R.I.G.L. § 44-3-9 and the City of Providence Code of Ordinances, does hereby grant a ten (10) year tax stabilization in favor of the Property Owner with respect to the Property.

Section 2.2. Term. The tax stabilization term shall be the period commencing on December 31, 2022 and terminating on December 31, 2032.

Section 2.3. Plan. During the tax stabilization term as defined in Section 2.2 above, the City has determined the stabilized amount of taxes to be paid by the Property Owner with respect to the Property, notwithstanding the valuation of the Property or the then-current rate of tax as follows:

For tax year 2022, the Property Owner shall make a tax payment equal to the taxes due and owing for an assessment value as shall be established by and through the appeal process regarding the appeal attached hereto as Exhibit C multiplied by the applicable tax rate as established by law. (hereinafter the “Base Assessment”).

For each tax year thereafter, the Property Owner will pay the Base Assessment plus a percentage of the taxes due and owing on difference in assessment value between the Base Assessment and the then-current assessed value of the property multiplied by the then-current tax rate.

See “Tax Stabilization Plan” attached hereto and incorporated herein as Exhibit B.

Section 2.4. Payment Deadlines. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments at the discretion of the Property Owner. If the Property Owner elects to make quarterly installments, each quarterly installment shall be due on the same date that quarterly taxes are due for all other taxpayers in the City of Providence.

Section 2.5. Obligation of Property Owner to Make Payment. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be an obligation of the Property Owner.

Section 2.6. Non-Receipt of Stabilized Tax Bill. Failure by the City to send or failure by the Property Owner to receive a stabilized tax bill does not excuse the nonpayment of the stabilized tax nor affect its validity or any action or proceeding for the collection of the tax in accordance with this Agreement or otherwise.

Section 2.7. Recording of Agreement, Running with Land. Upon the execution of this Agreement, the Property Owner shall cause this Agreement to be recorded at its expense in the City’s official public land evidence records. This recording shall be construed to provide a complete additional alternative method under contract law for the securitization of payments due and owing under this Agreement and shall be regarded as supplemental and in addition to the powers conferred by other state and local laws.

SECTION 3. PERFORMANCE OBLIGATIONS.

Section 3.1. Commencement of Performance.

Rehabilitation and/or construction shall commence within twelve (12) months and shall complete within thirty-six (36) months of the effective date of this Agreement.

If the Property Owners and/or Applicants fail to meet either of these deadlines, they shall be required to retroactively pay the difference between their actual stabilized tax payments and what they would have paid if ineligible for this Agreement. The Property Owner may, twelve (12) months prior to the applicable deadline, submit a request to the city council for approval of an extension to such applicable deadline.

Section 3.2. Permits and Certificates of Occupancy.

Property Owner shall obtain all permits and certificates of occupancy as required by state and local law in connection with any and all intended construction or rehabilitation at the Property.

Section 3.3. Internal Revenue Service reporting.

Except as provided under R.I.G.L. § 28-42-8, any person performing services at the Eligible Property shall annually receive either a W-2 statement or an IRS Form 1099.

Section 3.4. Category II Performance Requirements.

In accordance with the Ordinance, Property Owner, its successors or assigns, shall, fully comply with Ordinance Section 6. "Additional Requirements for stabilized projects" as set forth below as a Category II Project.

Section 1. Chapter 21, "Revenue and Finance," Article XVIII, The Providence Tax Stabilization Investment Act, SECTION 6. ADDITIONAL REQUIREMENTS FOR STABILIZED PROJECTS.

Section 6.A. Commencement of Performance. Unless otherwise provided for in an agreement executed pursuant to this Ordinance, construction or rehabilitation shall commence within twelve (12) months and shall obtain a Certificate of Occupancy from the Department of Inspections and Standards within thirty-six (36) months of the effective date of said agreement. Property Owner/Applicants who fail to meet either of these deadlines will be required to retroactively pay the difference between their actual stabilized tax payments and what they would have paid if ineligible for the specified tax considerations. The owner may, twelve (12) months prior to the applicable deadline, submit a request to the city council for approval of an extension to such applicable deadline

Section 6.B. Permits and Certificates of Occupancy. Property Owner/Applicant shall obtain all permits and certificates of occupancy as required by state and local law in connection with any and all intended construction or rehabilitation.

Section 6.C. MBE/WBE. Where found to be applicable and for any of the terms of the stabilization period as defined in Section 4.A. above, the Property Owner afforded the stabilization of taxes as described herein shall comply with any and all requirements under Chapter 21 Article II Section 52 of the Providence Code of Ordinances as it pertains to Minority and Women Business Enterprises.

Section 6.D. Internal Revenue Service reporting. Except as provided under R.I.G.L. § 28-42-8, any person performing services at the Eligible Property shall annually receive either a W-2 statement or an IRS Form 1099.

Section 6.E. First Source. Where found to be applicable and for any of the terms of the stabilization period as defined in Section 4.A. above, the Property Owner afforded the stabilization of taxes as described herein shall enter into a First Source Agreement with the Director of First Source Providence in accordance with Chapter 21 Article III1/2 of the Providence Code of Ordinances, including at least one (1%) percent of the total amount of discounted taxes to be directed to the first source trust fund, per Section 21-95.

Section 6.F. Equal Employment. Where found to be applicable and for any of the terms of the stabilization period as defined in Section 4.A. above, the Property Owner afforded the stabilization of taxes as described herein shall work with the City's Office of Human Resources, Division of Equal Employment Opportunity to ensure the City's goals to prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin are met. Moreover, the Property Owner will take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

Section 6.G. "Buy Providence" Initiative. Where found to be applicable and for any of the terms of the stabilization period as defined in Section 4.A. above, the Property Owner afforded the stabilization of taxes as described herein shall use best efforts to ensure that construction materials are purchased from economically competitive and qualified vendors located in the city of Providence. In furtherance of this effort, the project site owner will work with the city to develop a list of Providence vendors and subcontractors in order to create a preferred vendor list of qualified and economically competitive vendors for the construction of the project. Furthermore, once the project site owner constructs the development, the project site owner will use good faith efforts to conduct ongoing business with and provide preference to economically competitive and qualified Providence businesses.

Section 6.H. Apprenticeship.

Section 6.H.i. Requirement. Except for Category I Projects, as defined in Section 3(B)(i), the Property Owner shall ensure that one hundred (100) percent of the hours worked on the project shall be performed by all trade construction contractors and subcontractors who have or are affiliated with an apprenticeship program as defined in 29 C.F.R. § 29 et seq. for craft employed. Additionally, the Property Owner shall ensure that all bidding documents for the work to be performed on the Eligible Project includes express and conspicuous language evidencing the requirement found in this sub-section. As part of its contract with the construction manager and/or general contractor, the Property Owner shall require that not less than ten (10) percent of the total hours worked by the contractors' and subcontractors' employees on the project are completed by apprentices registered in the aforementioned apprenticeship programs.

As part of its contract with the construction manager and/or general contractor, the Property Owner shall, require that all contractors and subcontractors submit to the City quarterly verification reports to ensure compliance with this section. Failure to comply with or meet the requirements of this subsection shall be a material violation of the owner's obligations under this chapter.

Section 6.H.ii. Exemptions. The Property Owner, its Prime Contractor, or any other person/entity authorized by the Property Owner, may petition the City of Providence's Director of Planning and Development, or his/her designee to adjust the requirements found herein this Section 6.H to a lower percentage upon a showing that:

1. A trade or field does not have an apprenticeship program or cannot produce members from its program capable of performing the scope of work within the contract; or
2. The size and scope of the work will not allow for the contractor to comply with apprenticeship ratio requirements for the craft affected; or
3. For any other non-economic justifiable reason that demonstrates good cause.

Accompanying the petition mentioned in this sub-section, the petitioning entity must provide contemporary evidence of the efforts taken to comply with this section, including but not limited to the bidding and responsive documents for the scopes of work for which the petitioning entity is seeking an exemption.

Section 6.I. Project Compliance.

Any and all tax stabilization agreements granted pursuant to this Ordinance shall in no way confer that the underlying project (construction or rehabilitation) is either compliant with the Providence Zoning Ordinance or has received the necessary approvals from the Historic District Commission, the Downtown Design Review Committee, the Capital Center Commission, the City Plan Commission, the Zoning Board of Review, or the I-195 Redevelopment Commission (as applicable). Default under an agreement executed pursuant to this Ordinance for failure to receive one or more of the above-mentioned approvals shall not entitle an applicant to a refund of their application fee.

Section 6.J. Prohibited and Restricted Uses.

Section 6.J.i. Prohibited Uses. Notwithstanding the eligibility requirements found in Section 3 of this Sub-Article, nor any other provision in the Providence Code of Ordinances or the Rhode Island General Laws to the contrary, the following uses, as defined by Chapter 27 of the Providence Code of Ordinances, shall not be permitted a tax stabilization agreement formed pursuant to this Sub-Article:

1. Adult use, including adult bookstore/retail, adult arcade, adult cabaret, adult motion picture theater, and adult hotel/motel;
2. Compassion center/cultivation center;
3. Contractor storage yard;
4. Fraternity/sorority;
5. Landfill;
6. Materials processing of scrap metal;
7. Storage yard-Outdoor; and
8. The following Retail Uses:
 - a. Gun Stores
 - b. Payday Lending
 - c. Check-cashing Operations

Section 6.J.ii. Restricted Uses. Notwithstanding the eligibility requirements found in Section 3 of this Sub-Article, nor any other provision in the Providence Code of Ordinances or the Rhode Island General Laws to the contrary, if any the following uses, as defined by Chapter 27 of the Providence Code of Ordinances, exceeds twenty-five percent (25%) of the usable square footage of the project, then a tax stabilization agreement formed pursuant to this Sub-Article shall not be permitted:

1. Bar;
2. Nightclub; and
3. Retail sales of alcohol.

Section 6.K. City of Providence Parks and Recreation Trust Fund. Upon passage of this Ordinance by the Providence City Council, the Property Owner party to each tax stabilization agreement formed pursuant to this Sub-Article shall contribute to a Trust Fund established by the City of Providence, of which the Treasurer shall be the trustee. The Fund shall be identified as the "City of Providence Parks and Recreation Trust Fund." The Board of Park Commissioners shall establish regulations pertaining to the disbursement of funds.

Section 6.K.i. Payments to the Fund. The Property Owner shall make annual payments to the Fund in the amount of seven percent (7%) of the estimated total of taxes abated (as shown in the Tax Assessor's Fiscal Note in Section 5.C) amortized over the term of the tax stabilization agreement. Notwithstanding anything mentioned in this sub-section, the Property Owner shall pay the following amounts in the Fund annually in the tax years in which the Property Owner pays a base assessment tax: (1) for Category II Projects Property Owners shall pay \$1,000.00 each tax year; (2) for Category III Projects Property Owners shall pay \$1,500.00 each tax year; and (3) for Category IV Projects Property Owners shall pay \$2,500.00 each tax year. Said annual payments will be payable

within thirty (30) days of receipt of an invoice for the same from the Office of the Tax Assessor. If, for any reason, this Ordinance is retroactively revoked, payments to the fund shall remain and will not be forfeited due to a default.

Section 6.K.ii. Investment and Distribution of the Fund. The trust fund will be invested by the Board of Investment, and an annual distribution of the investment shall be used to provide funds to the Department of Parks and to the Department of Recreation for capital improvements in neighborhood parks and recreation centers. Said annual distribution shall not supplant any funds that are provided to the Department of Parks and the Department of Recreation through the operating budget. The aggregate amount of the distribution in any individual year shall not exceed four percent (4%). Distributions may never exceed the earnings in the year of distribution or reduce the corpus of the fund. The first distribution from the fund shall not occur until the fifth year after the first payment to the fund has been made.

Section 6.L. Affordable Housing Trust. Pursuant to City of Providence Ordinance Chapter 2019-91 No. 355, as amended (the "Trust Ordinance"), ten percent (10%) of revenues collected annually from all Tax Stabilization Agreements shall be transferred and deposited into the Providence Housing Trust Fund.

Section 6.M. Payment of Area Standard Wages. All construction workers shall be paid in accordance with the wages and benefits required by R.I. Gen. Law § 37-13-1 et seq. and all contractors and subcontractors shall file certified payrolls on a monthly basis to the Department of Planning with the same information required by R.I. Gen. Law §37-13-1 et. seq. Not paying any worker in accordance with this section shall constitute a material violation of this ordinance and/or a material breach of the developer's agreement with the City and the City or City Council shall have the discretion to initiate the Default Notice and Cure provisions outlined in Section 11 of this Ordinance. This section shall not apply to Category I and Category II projects.

Section 6.N. Post Construction Jobs. Applicants for any Tax Stabilization Agreement under this Ordinance shall be eligible for tax relief provided in the agreement, provided that the applicant commits that, effective 180 days following the issuance of a certificate of occupancy, the applicant will maintain a wage for all employees at the project subject to tax stabilization of at least twice the United States Department of Health and Human Services Federal Poverty Guideline for a family of three (3), divided into an hourly wage at forty (40) hours per week, fifty-two (52) weeks per year, provided that up to five dollars (\$5.00) per hour of this wage requirement may be offset dollar-for-dollar by any payments the employer makes to fund the employee's health care or retirement, and provided further that any provision of this subsection may be waived by a clear and unmistakable waiver in an unexpired collective-bargaining agreement. This section shall not apply to Category I and Category II projects.

SECTION 4. TRANSFER OF THE PROPERTY.

Section 4.1. Transfer Generally. Stabilized tax payments shall be an obligation of the Property Owner during the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, without regard to any transfer of the Property. Additionally, in accordance with Section 2.7, the burdens and benefits of this Agreement will run with the land, and as for payment of taxes shall run in favor of the City regardless of any transfer of ownership. The Property Owner further agrees to provide prior written notice to the City before any transfer of the Property so that the City may make a determination, in its sole discretion, as to whether or not stabilization under this Agreement will continue.

Section 4.2. Transfer to Tax Exempt Entities. In the event that the Property Owner transfers the Property to a tax-exempt entity, this Agreement shall be void ab initio and any entity holding an equitable or legal interest in the Property on or after the Effective Date of this Agreement shall be jointly and severally liable for the full taxes due and owing from the Effective Date of this Agreement and forward.

Section 4.3. Post-Expiration Transfers. In the event that any Property Owner transfers the Property to a tax-exempt entity within five years from the end of the tax stabilization term, as defined in Section 2.2 above, any and all Property Owners will pay the following: five percent (5%) of the sale price in said transfer if sold to a tax-exempt entity in the first year following the end of the Term; four percent (4%) of the sale price in said transfer if sold to a tax-exempt entity in the second year following the end of the Term; three percent (3%) of the sale price in said transfer if sold to a tax-exempt entity in the third year following the end of the Term; two percent (2%) of the sale price in said transfer if sold to a tax-exempt entity in the fourth year following the end of the Term; and one percent (1%) of the sale price in said transfer if sold to a tax-exempt entity in the fifth year following the end of the Term.

SECTION 5. DEFAULT, NOTICE, AND CURE.

Section 5.1. Default Notices and Cure Periods.

Upon presentation of evidence suggesting a possible Event of Default, the City Solicitor, or outside counsel hired by the City Council President or their designee in the event that the City Solicitor fails to act, shall provide written notice to the Property Owner of such potential Event of Default (the "First Notice") and shall notify the Property Owner that it shall have sixty (60) days, from the date the First Notice is sent by the City Solicitor, to cure any Event of Default under this Agreement (the "Initial Cure Period"). If said Event of Default is not cured within the Initial Cure Period, then the City Solicitor shall notify the Property Owner in writing (the "Second Notice") that the Agreement is terminated and that a bill will be sent out by the Tax Assessor sixty (60) days from the date of the Second Notice. Said bill shall be for the abated taxes to date and those amounts including, but not limited to, any amounts of taxes due and owing but not paid, interest, penalties, assessments, and fees associated therewith ("Delinquency Bill").

The Property Owner may petition the City Council in writing for additional time beyond the Initial Cure Period in order to cure any alleged Event of Default (an "Extended Cure Period"). Once filed with the City Clerk, a petition requesting an Extended Cure Period will toll the time period between the Second Notice and the issuance of the Delinquency Bill, until the petition is either approved, denied, or withdrawn. An indefinite continuance shall constitute a denial.

SECTION 6. MONTHLY AND ANNUAL PROGRESS REPORT.

Section 6.1. Reporting Generally.

The Property Owner shall provide monthly reports to the City Council, or the Council's designee, and in such instance that the property subject to the Agreement formed hereunder is within the jurisdiction of the I-195 Commission then the Commission as well, on its progress in complying with the provisions of any agreement formed pursuant to this Ordinance. In the event the City has failed to create such regulations, forms, or guidance prior to the date on which a Monthly Report or Annual Report is due, the Property Owner is not required to provide any such report.

Section 6.2 Reporting Requirements.

The reporting format shall be determined and provided by the City Council of Providence in its sole discretion to document construction-based employment information and demographics related to the terms of this ordinance. If the Property Owner, its developer and/or other person/entity authorized by the Property Owner, does not timely submit their monthly reports to the City Council, or its designee, the City Council or its designee shall notify the Property Owner. The Property Owner shall have ten (10) days thereafter to provide the information to the City or its designee.

The project site owner, the director of planning and development, the director of first source, and a representative of the third-party entity monitoring apprenticeship requirements shall annually report to the city council on progress in complying with the provisions of the Ordinance, including but not limited to, Ordinance sections 4 and 6.

Specifically, its report shall include a performance report on construction or rehabilitation with evidence of final construction costs, status of stabilized tax payments, and evidence of compliance with Section 6 above. Upon receipt and review, the City Council may require and request additional information.

In the event the City has failed to create such regulations, forms, or guidance prior to the date on which a Monthly Report or Annual Report is due, the Property Owner is not required to provide any such report.

Section 6.3. Safe-Harbor Reports.

Notwithstanding the provisions of Sections 6.1 and 6.2 of this Agreement, the Property Owner's reporting obligations are necessarily contingent on the City's creation of regulations, forms, or other guidance setting forth the scope and precise contents of the Monthly and Annual Reports.

In the event the City has failed to create such regulations, forms, or guidance prior to the date on which a Monthly Report or Annual Report is due, the Property Owner is not required to provide any such report and/or the Property may, in its sole discretion, may mail a letter to the City Council, signed by a duly authorized agent of the Property Owner and under penalty of perjury, setting forth such statistical and demographic information collected pursuant to this Agreement for the period between the last Monthly Report or Annual Report (a "Safe-Harbor Report") and the present. Submission of such a Safe-Harbor Report shall be deemed to be a voluntary fulfillment of the otherwise unrequired Property Owner obligations under Sections 6.1 and 6.2.

SECTION 7. MISCELLANEOUS TERMS.

Section 7.1. Severability.

The sections of this Agreement are severable, and if any of its sections or subsections shall be held unenforceable by any court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining sections or subsections.

Section 7.2. Applicable Law.

This Agreement shall be construed under the laws of the State of Rhode Island, the City of Providence Home Rule Charter, and the City of Providence Code of Ordinances, as amended.

Section 7.3. Modifications Amendments and/or Extensions.

This Agreement shall not be modified, amended, extended or altered in any way by oral representations made before or after the execution of this Agreement. Any and all modifications, amendments, extensions or alterations must be in writing duly executed by all parties.

Section 7.4. Entire Agreement.

This Agreement and all attachments, addenda, and/or exhibits attached hereto shall represent the entire agreement between City and the Property Owner and may not be amended or modified except as expressed in this document.

Section 7.5. Completed application and procedure.

By entering into this agreement, the City and the Property Owner do hereby agree and affirmatively find that the Ordinance, including but not limited to Section 5, has been completely complied with and any error or omission related thereto is incidental and/or immaterial and shall have no effect on the enforcement of this Agreement.

Section 7.6. Effective Date. The date upon which a tax stabilization agreement is executed in contract form and ratified by a resolution of the Providence City Council.

IN CITY COUNCIL
DEC 01 2022
FIRST READING
READ AND PASSED

Tina L. Mastromanni CLERK
ACTING

IN CITY
COUNCIL
DEC 15 2022
FINAL READING
READ AND PASSED

Tina L. Mastromanni
JOHN J. IGLIOZZI, PRESIDENT
Tina L. Mastromanni ACTING CLERK

I HEREBY APPROVE.

[Signature]

Mayor
Date: *12/21/22*

IN WITNESS WHEREOF, Property Owner and the City have executed this Agreement.

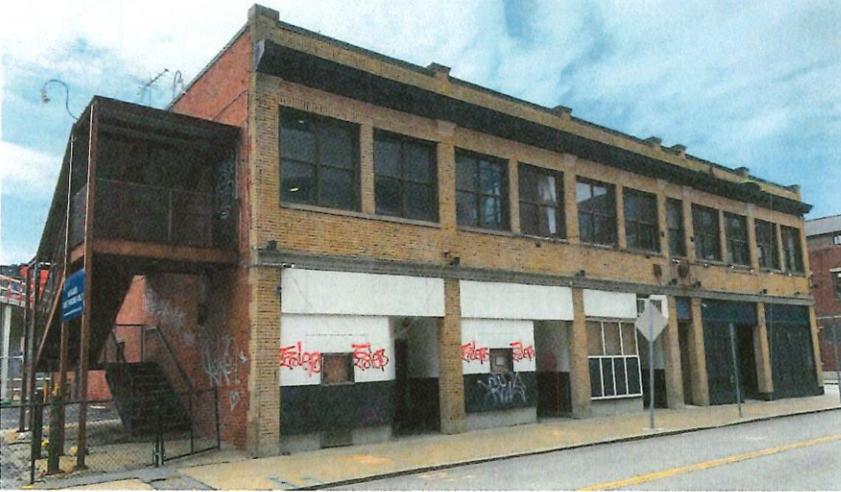
101 RICHMOND, LLC	CITY OF PROVIDENCE
<p>By: _____, Its _____ By: _____ Authorized Signature Print Name: _____ Title: _____ Address: _____ _____ _____ Date: _____</p>	<p>By: _____ Authorized Signature Print Name: <u>Jorge O. Elorza</u> Title: <u>Mayor of Providence</u> Address: <u>City Hall</u> <u>25 Dorrance Street</u> <u>Providence, RI 02903</u> Date: _____ Approved as to form and correctness: _____ Jeffrey Dana, City Solicitor</p>



101 RICHMOND STREET
 PROVIDENCE, RI 02903
 PROPOSED
 MIXED-USE COMMERCIAL AND
 MULTIFAMILY CONSTRUCTION

PROVIDENCE
 ARCHITECTURE + BUILDING Co.
 269 WICKENDEN STREET
 PROVIDENCE, RI 02903





101 RICHMOND ST
PROVIDENCE, RI 02903

PROVIDENCE
ARCHITECTURE + BUILDING Co.
269 WICKENDEN STREET
PROVIDENCE, RI 02903



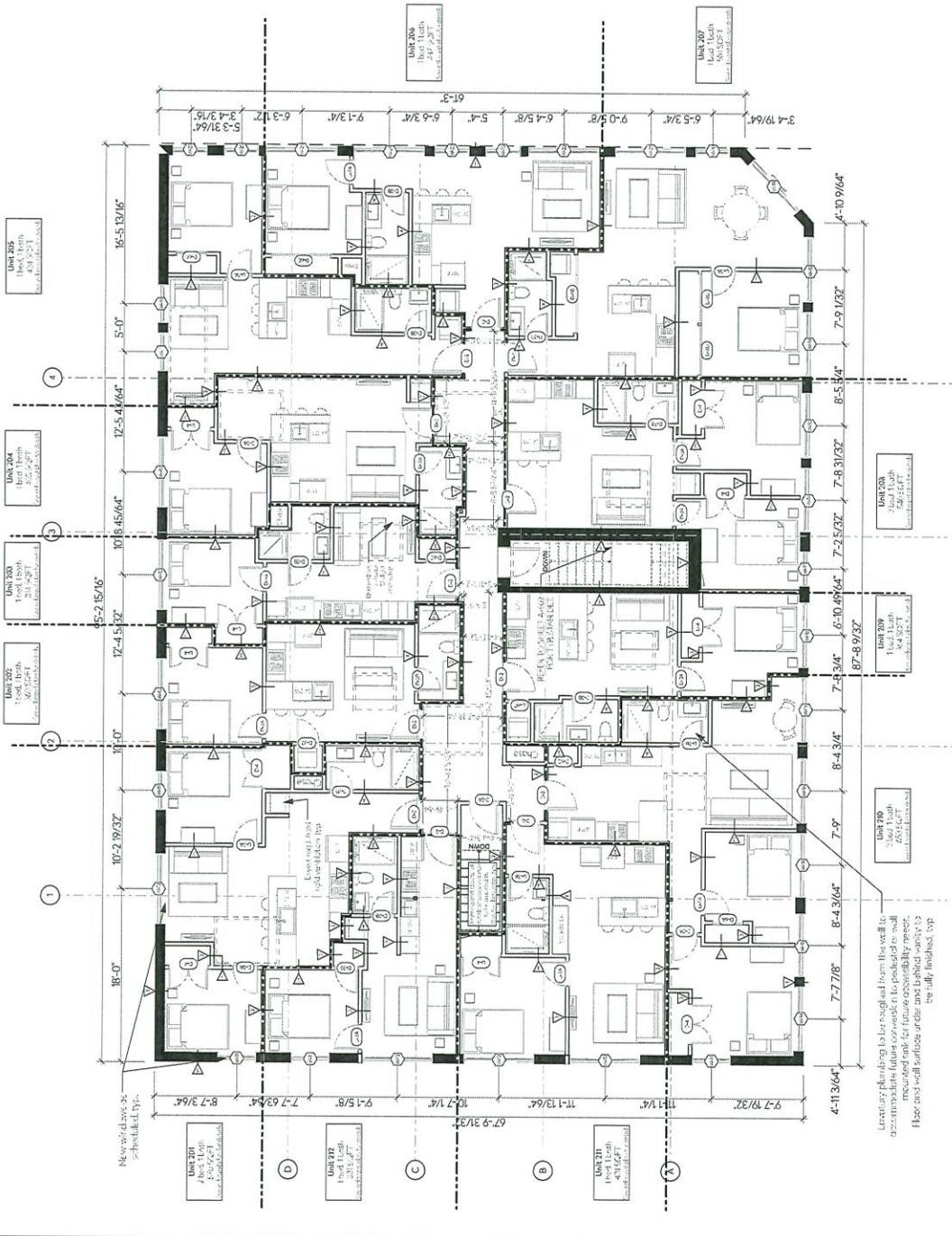


PLAN NOTES:

1. SEE WALL TYPE FOR WALL CONSTRUCTION.
2. PROVIDE M/GWB AT ALL VET LOCATIONS. PROVIDE CEMENTitious DIGREBOARD AT ALL THE LOCATIONS. TYP.
3. ALL EXPOSED STEEL TO BE AESS - GRM E 1
4. CONTRACTOR SHALL PROVIDE IN-WALL BLOCKING AT ALL AREAS OF NEW WALL-COUNTERTOP INCLUDES BUT NOT LIMITED TO THE COUNTER-TOP EQUIPMENT IN KITCHENS, BATHROOMS, ETC. TYP.
5. PROVIDE ACCESS PANELS IN HARD CEILING FOR MECH EQUIPMENT MATCH WALL/CILING. TYP.
6. PROVIDE ALL NEW ROOF SHAPE.
7. REFER TO ENLARGED PLAN FOR ADDITIONAL INFORMATION(S) ETC.
8. PROVIDE 3 HOUR RATED FIREPROOFING AT ALL STRUCTURAL STEEL.
9. GC IS RESPONSIBLE TO CARRY FERRING TO ACCOMMODATE ELECTRICAL JUNCTION BOXES AT TERRAZZO/WALLS TYP.
10. WHEN NOT LOCATED IN A WALL CAVITY FURR AROUND ALL NEW TYP. THE GC TO MAINTAIN REQUIRED DIMENSIONS. TYP.
11. PORTABLE FIRE EXTINGUISHERS SHALL BE PROVIDED IN EACH DWELLING UNIT.
12. ANY CONFLICTS BETWEEN SITE CONDITIONS AND CHANGES SHALL BE BROUGHT TO THE IMMEDIATE ATTENTION OF THE ARCHITECT.
13. ALL DOOR FRAMES TO BE 4" FROM THE NEAREST PERPENDICULAR PARTITION WALL.
14. REVIEW LAYOUTS FOR PARTITIONS IN FIELD W/ ARCHITECT PRIOR TO START OF CONSTRUCTION.
15. ALL PENETRATIONS ARE TO BE SEALED TO MAINTAIN FIRE AND ACOUSTICAL BARRIERS.
16. COORDINATE BLOCKING REQUIREMENTS W/ ARCHITECT PRIOR TO COMPLETE.
17. PATCH AND REPAIR ALL WALLS, FLOORS, AND ADJACENT CONSTRUCTION AFFECTED BY DEMO FOR NEW WORK.
18. REFER TO ENLARGED PLANS FOR FINISHING MATERIALS.
19. REFER TO TYPICAL UNIT PLAN FOR TYPICAL FLOOR TAGS.
20. AT ALL BALCONY FRAMED WALLS, GC TO PROVIDE FIRE BLOCKING OR FALL CATCHES WITH ORIGINAL WALL.
21. DIMENSIONS:
 - A. VERIFY ALL DIMENSIONS IN THE FIELD.
 - B. DIMENSIONS ARE NOT TO BE SCALED. VERIFY ANY DIMENSIONS AFFECTED BY CHANGES BY ARCHITECT PRIOR TO CONSTRUCTION.
 - C. NOTIFY ARCHITECT OF CONDITIONS WHERE CLEAR OR CRITICAL DIMENSIONS ARE DESIGNATED BUT CANNOT MEET MINIMUM REQUIREMENTS.
 - D. MAINTAIN DIMENSIONS FOR BASE ELEVATION THROUGHOUT THE CONTRACT AREA SUCH THAT ALL DIMENSIONS INCREASED AS ABOUT FINISH FLOOR ARE AT THE SAME ELEVATION.
 - E. ALL DIMENSIONS OF FIXTURES, DRIVES, ETC. ARE TO BE THE CENTERLINE OF ITEMS OR GROUPS OF ITEMS ARE TO ALIGN TO UO.
- M.P. WORK TO BE DESIGN/BUILD:
 - A. MECHANICAL
 - B. PLUMBING

PLAN LEGEND

- Existing Walls to Remain
- New Walls





Conley, Dylan <dconley@wjclaw.com>

Notice of Intent to Bring Account

Assessor <Assessor@providenceri.gov>
To: "Conley, Dylan" <dconley@wjclaw.com>

Thu, Jan 13, 2022 at 4:05 PM

Good afternoon,

Thank you for submitting your notice of intent. Please keep this email as proof of submission.

Thank you

City Assessor's Office
Providence City Hall
25 Dorrance Street
Providence, RI 02903
(401) 680-5229

Fax : (401) 680-5632
Call to Connect | PVD311 <<https://www.providenceri.gov/pvd-311/>>

From: Conley, Dylan <dconley@wjclaw.com>
Sent: Thursday, January 13, 2022 2:47:56 PM
To: Assessor
Subject: Notice of Intent to Bring Account

To whom it may concern,

Please find attached copy of certified letter re: Notice by taxpayer of intent to bring in account pursuant to R.I. Gen. Laws §44-5-15

Property: 101 Richmond Street; f/k/a Plat 24, Lot 678
Owner: 101 Richmond LLC

138 Friendship Street; f/k/a Plat 24 Lot 677
Owner: 138 Friendship Street LLC

If you have any questions or concerns please do not hesitate to reach out, thank you!

Dylan Conley, Esq.
Law Office of William J. Conley, Jr.
123 Dyer Street, 2nd Floor
Providence, RI 02903
Office: 401-415-9835
Direct: 401-632-0598

www.williamconleylaw.com <https://linkprotect.cudasvc.com/url?a=http%3a%2f%2fwww.williamconleylaw.com%2f&c=E,1,HKxzSqvK73ZOeu1BpIXPmsedWarcybfYyLTFy4ocu3-VTMm1Zo171hb89FchPPJU_jUKgYPYE0R_SGYtiUgrZGBhunTtIDha7rC4QHCCFznhWy6A709AUa4,&typo=1>

[https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fcdn.shortpixel.ai%2fclient%2fq_glossy%2cret_img%2fhttps%3a%2f%2fwww.williamconleylaw.com%2fwp-content%2fuploads%2f2018%2f11%2fWCLSMML.png&c=E,1,qUUiWNN9Ennkvjt_dXNGbJ9f2tZbWPntXHADW16EgX2GI8iH2SvWNwnJBsC71IEg_Xzv3gx2lc3EwAr0NVNcYvSWkh-8iFh6eTodeKWo5DrydA,,&typo=1]

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APPENDIX B

TAX STABILIZATION PLAN

TAX YEAR	BASE ASSESSMENT TAX	PERCENTAGE OF FULL ASSESSMENT INCREASES	TAX PAYMENT UNDER STABILIZATION AGREEMENT
1	BA TAX		\$0.00 BA TAX
2	BA TAX		\$0.00 BA TAX
3	BA TAX	12.50% of (Year 3 Assessment Value-Base Assessment) * Year 3 Commercial Tax Rate	BA TAX plus 12.50% of (Year 3 Assessment Value-Base Assessment) * Year 3 Commercial Tax Rate
4	BA TAX	25.00% of (Year 4 Assessment Value-Base Assessment) * Year 4 Commercial Tax Rate	BA TAX plus 25.00% of (Year 4 Assessment Value-Base Assessment) * Year 4 Commercial Tax Rate
5	BA TAX	37.50% of (Year 5 Assessment Value-Base Assessment) * Year 5 Commercial Tax Rate	BA TAX plus 37.50% of (Year 5 Assessment Value-Base Assessment) * Year 5 Commercial Tax Rate
6	BA TAX	50.00% of (Year 6 Assessment Value-Base Assessment) * Year 6 Commercial Tax Rate	BA TAX plus 50.00% of (Year 6 Assessment Value-Base Assessment) * Year 6 Commercial Tax Rate
7	BA TAX	62.50% of (Year 7 Assessment Value-Base Assessment) * Year 7 Commercial Tax Rate	BA TAX plus 62.50% of (Year 7 Assessment Value-Base Assessment) * Year 7 Commercial Tax Rate
8	BA TAX	75.00% of (Year 8 Assessment Value-Base Assessment) * Year 8 Commercial Tax Rate	BA TAX plus 75.00% of (Year 8 Assessment Value-Base Assessment) * Year 8 Commercial Tax Rate
9	BA TAX	87.50% of (Year 9 Assessment Value-Base Assessment) * Year 9 Commercial Tax Rate	BA TAX plus 87.50% of (Year 9 Assessment Value-Base Assessment) * Year 9 Commercial Tax Rate
10	BA TAX	95.00% of (Year 10 Assessment Value-Base Assessment) * Year 10 Commercial Tax Rate	BA TAX plus 95.00% of (Year 10 Assessment Value-Base Assessment) * Year 10 Commercial Tax Rate

FULL TAXATION RESUMES

* All years refer to Tax Years

RESPONSES TO STANDARD TSA QUESTIONS – 101 RICHMOND TSA

What is the present value of the building?

The building itself is worth substantially less than \$0 because it is historic and must be kept in place, it is structurally deficient and cannot be added onto, and effectively blocks the utilization of zoning entitlements for the location.

What will be the value of the building upon completion?

Assessment projections range from 1.2m - 1.7m

What is the total amount of taxes being abated?

Approximately \$370,000 over ten (10) years.

How much money is being invested into the project?

Projected \$3,307,404.

Will there be new construction dollars?

The project is limited to rehabilitation due to the requirement that the historic building be maintained.

If applicable, what is the total square footage of the building being constructed?

N/A.

How is each space being allocated? (i.e. restaurant, office, retail, residential, etc.)

19 Residential Units, two small retail spaces.

What is the square footage for each space?

19 Residential units are generally 320-450sqft micro units.

2 Retail units are approximately 900 sqft each

What will the price of the residential units be? What will be the average rent?

The rehabilitation project and micro-units implies slightly abnormal and non-uniform units, a range of \$1,400-\$1750 in rent is our current projection.

How large/small will each residential unit be? What is the square footage?

19 Residential units are generally 320-450sqft micro units.

How many jobs will be created – temporary and permanent and type of same?

Temporary jobs related to construction varies based on contractors and subcontractors used in addition to our in-house construction and design teams, but given our experience in the field we estimate 20-25 jobs.

Estimates vary based on retail uses, present retail projections and leasehold interests include an eatery and a barbershop. In addition to real estate management personnel 20-30 jobs appear to be a reasonable probable job outcome.

If the project moves forward, how long will it take to construct the project?

Less than 24 months, supply chain issues permitting.

If the project moves forward, do you have full financing to begin the project?

Yes.

What are the costs of permits (building and others) being paid to the City of Providence?

\$41,000 in payments to DPW and Building, property taxes thus far \$13,000 which is significant considering that this was a Johnson and Wales property that was formally not paying any taxes.

101 Richmond Street
Plat 24 Lot 678

(Fiscal Impact)

Base Assessment
subject to change due
to pending appeal

10 Year TSA Projection

Tax Year	Value	Base Tax + % of Incr.		Tax Rate	Base Tax	Phased-In Tax	Proposed Total Tax		Payments at Full Taxation
2023	769,300	Base Tax		\$35.40	\$27,233.22	\$0	\$27,233.22	\$ 27,233.22	
2024	3,003,280	Base Tax		\$35.40	\$27,233.22	\$0	\$27,233.22	\$ 106,316.11	
2025	3,063,346	Base + 12.50%		\$35.40	\$27,233.22	\$10,151.15	\$37,384.37	\$ 108,442.45	
2026	3,063,346	Base + 25.00%		\$35.40	\$27,233.22	\$20,302.31	\$47,535.53	\$ 108,442.45	
2027	3,063,346	Base + 37.50%		\$35.40	\$27,233.22	\$30,453.46	\$57,686.68	\$ 108,442.45	
2028	3,124,613	Base + 50.00%		\$35.40	\$27,233.22	\$41,689.04	\$68,922.26	\$ 110,611.30	
2029	3,124,613	Base + 62.50%		\$35.40	\$27,233.22	\$52,111.30	\$79,344.52	\$ 110,611.30	
2030	3,124,613	Base + 75.00%		\$35.40	\$27,233.22	\$62,533.56	\$89,766.78	\$ 110,611.30	
2031	3,187,105	Base +87.50%		\$35.40	\$27,233.22	\$74,891.52	\$102,124.74	\$ 112,823.53	
2032	3,187,105	Base + 95.00%		\$35.40	\$27,233.22	\$81,310.78	\$108,544.00	\$ 112,823.52	
							<u>\$645,775.32</u>	<u>\$ 1,016,357.62</u>	

Savings to applicant:

\$ 370,582.30