

CITY OF PROVIDENCE
RHODE ISLAND



CITY COUNCIL

JOURNAL OF PROCEEDINGS

No. 90 City Council Special Meeting, Monday, March 11, 2002, 6:00 o'clock P.M. (E.S.T.)

PRESIDING

COUNCIL PRESIDENT

JOHN J. LOMBARDI

IN CITY COUNCIL

MAY 2 2002

APPROVED:

Michael R. Clement CLERK

ROLL CALL

Present: Council President Lombardi, Councilmen Aponte, Butler, DeLuca, Councilwoman DiRuzzo, Councilmen Hassett, Mancini, Councilwomen Nolan, Romano and Williams—10.

Absent: Councilmen Allen, Clarkin, Iglizzi, Jackson, and Councilwoman Young—5.

Also Present: Michael R. Clement, City Clerk, Anna M. Stetson, Assistant Clerk, Charles R. Mansolillo, City Solicitor and Ralph Guglielmino, City Sergeant.

INVOCATION

The Invocation is given by COUNCIL-
WOMAN RITA M. WILLIAMS.

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

COUNCILWOMAN RITA M. WILLIAMS
leads the members of the City Council and
the Assemblage in the Pledge of Allegiance
to the Flag of the United States of America.

CALL FOR SPECIAL MEETING COMMUNICATION FROM COUNCIL PRESIDENT JOHN J. LOMBARDI

Request, filed with the City Clerk, dated
March 8, 2002, requesting a Special
Meeting of the City Council be called on
the 11th Day of March, 2002 at 6:00
o'clock P.M. (E.S.T.).

March 8, 2002

Honorable Michael R. Clement
City Clerk

City Hall
Providence, RI 02903

Dear Mr. Clement:

In accordance with the provisions of Section
406 of the Providence Home Rule Charter of
1980, I am this day calling a Special Meeting
of the Providence City Council to be held on
Monday, March 11, 2002 at 6:00 o'clock P.M. in

the City Council Chamber, City Hall, for the purpose of acting upon the following:

An Ordinance Amending Certain Sections of Article X of Chapter 21 of the Code of Ordinances entitled "Property Tax Classification for the City of Providence," as amended.

Respectfully,

JOHN J. LOMBARDI
City Council President

Received.

WARRANT FOR SPECIAL MEETING

Warrant of the City Clerk to the City Sergeant with return certification that he has notified each member of the City Council of the Special Meeting called for the 11th day of March, 2002 at 6:00 o'clock P.M. (E.S.T.) in the Chamber of the City Council, City Hall.

March 8, 2002

To Ralph Guglielmino, City Sergeant:

Whereas, Council President John J. Lombardi has, pursuant to Section 406 of the Providence Home Rule Charter of 1980, requested the City Clerk, in writing, to call a Special Meeting of the City Council to be held on the 11th day of March, 2002 A.D., at 6:00 o'clock P.M. for the purpose of enacting the following:

An Ordinance Amending Certain Sections of Article X of Chapter 21 of the Code of Ordinances entitled "Property Tax Classification for the City of Providence," as amended.

You are therefore, hereby commanded and required to summon each Member of the City

Council to that Special Meeting, as Called.

Hereof, Fail Not, and make a true return of this Warrant, with your doings thereon.

Given under my Hand and Official Seal of the City of Providence, State of Rhode Island and Providence Plantations this 8th Day of March, 2002 A.D.

MICHAEL R. CLEMENT
City Clerk

I, Ralph Guglielmino, City Sergeant, do hereby certify that I have notified each Member of the City Council of the Special Meeting scheduled to be held on Monday, March 11, 2002 at 6:00 o'clock P.M. in the Chamber of the City Council, City Hall, Providence, in accordance with the subject warrant by delivering to each member, a copy thereof.

RALPH GUGLIELMINO
City Sergeant

March 8, 2002

Received.

ORDINANCE SECOND READING

The following Ordinance was in City Council March 7, 2002, Read and Passed the First Time and is returned for Passage the Second Time, as amended:

An Ordinance Amending Certain Sections of Article X of Chapter 21 of the Code of Ordinances entitled "Property Tax Classification for the City of Providence," as amended.

Be It Ordained by the City of Providence:

Section 1. Section 21-181 of Article X entitled "Property tax classification" is hereby amended to read as follows:

The City of Providence hereby adopts a system of classification of taxable property in conformity with the provisions of Section 44-5-11.8 of the General Laws effective for taxes assessed as of December 31, 2000. The system of classification of taxable property and homestead exemption adopted in accordance with Section 44-5-11.8 shall continue until terminated by ordinance adopted by the City Council.

Section 2. Section 21-182 of Article X entitled "Apportionment of taxes" is hereby amended to read as follows:

(a) The tax classification plan is hereby adopted with the following limitations:

(1) The designated classes of property shall be limited to the four classes as defined in subsection (b).

(2) The effective tax rate applicable to any class shall not exceed by 50% the rate applicable to any other class.

(3) Any tax rate changes from one year to the next shall be applied such that the same percentage rate change is applicable to all classes.

(4) Notwithstanding subdivisions (a)(2) and (a)(3), the tax rate applicable to wholesale and retail inventory within Class 3 as defined in subsection (b) are governed by section 44-3-19.1.

(5) Notwithstanding subdivisions (a)(2) and (a)(3), tax rates applicable to motor vehicles within Class 4 as defined in subsection (b) are governed by section 44-34.1-1.

(6) The provisions of chapter 35 of this title relating to property tax and fiscal disclosure applies to the reporting of and compliance with these classifications.

(b) Classes of property

(1) Class 1: Residential real estate consisting of no more than five (5) dwelling units, land classified as open space, and dwellings on leased land including mobile homes. This Class may

also include residential properties containing partial commercial or business uses and residential real estate of more than five (5) dwelling units. A homestead exemption is authorized within this Class as follows: (a) owner-occupied residential real estate may be granted an exemption in an amount not to exceed thirty-three (33%) percentum of the assessed valuation; except that owner-occupied residential real estate consisting of more than five (5) units may be granted an exemption in an amount not to exceed thirty-three (33%) percentum of the assessed valuation attributable to the first five (5) units. Owner-occupied mixed use real estate may be granted an exemption in an amount not to exceed thirty-three (33%) percentum of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate; or (b) in the case of non-owner-occupied residential real estate consisting of five (5) dwelling units or less an exemption in an amount not to exceed thirteen (13%) percentum of the assessed valuation may be granted. Non-owner-occupied residential real estate consisting of more than five (5) dwelling units may be granted an exemption in an amount not to exceed thirteen (13%) percentum of the assessed valuation attributable to the first five (5) units. Non-owner-occupied mixed use real estate may be granted an exemption in an amount not to exceed thirteen (13%) percentum of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate. The actual effective rate applicable to property qualifying for the homestead exemption shall be construed as the standard rate for this Class against which the maximum rate applicable to another Class shall be determined. The percentage

reduction in valuation of residential real estate pursuant to the homestead exemption shall apply to residential real estate containing five (5) or less dwelling units. In the case of multiple dwellings containing more than five (5) dwelling units, the percentage reduction in valuation shall be applied to the result of dividing the assessed valuation by the number of dwelling units in the multiple dwelling and multiplying the quotient by five (5).

The granting of an application for a owner-occupied or non-owner-occupied homestead exemption as referenced above as (a) or (b) is subject to the following limitations:

(i) To be eligible for an (a) or (b) type homestead exemption, effective as to the Assessment date of December 31st at midnight an applicant must file with the City Assessor no later than April 1st a homestead exemption application, together with a declaration and present evidence, under oath or affirm, as to the owner-occupied or non-owner-occupied status together with any other proof of residency or ownership which may be required by the City Assessor, except that for the assessment year ending December 31, 2000 the City Assessor may utilize the data collected during the revaluation of real property for the assessment date of December 31, 2000 to establish the applicable type of homestead exemption.

(ii) Only natural person(s) are qualified to receive the type (a) owner-occupied residential real estate homestead exemption. Real property which is partially or wholly owned by a business; an institution, a non-profit organization, a financial

institution that has foreclosed on real estate, including HUD and Rhode Island Housing and Mortgage Finance Corporation or any other such public or private entity do not qualify for a type (a) owner-occupied homestead exemption.

(iii) Only a natural person(s) may qualify for one type (a) owner-occupied homestead exemption in the City of Providence at any one point in time.

(iv) The homestead exemption (a) or (b) attaches to the owner(s) of the real property not to the real property itself. If the owner-occupancy status changes, the tax will be prorated as of the date of the change in ownership.

(v) The City Assessor shall deny an application for the homestead exemption filed under either type (a) or (b) if the City Assessor determines that an execution of record based upon a judgment of the Housing Court for a real estate code violation(s) against the applicant remains unsatisfied.

(vi) In the event the property granted an exemption is sold or transferred during the year for which the homestead exemption is claimed, the exemption is void for that portion of the year following the sale or transfer. The buyer or transferee shall be liable to the City of Providence for any tax benefit received after the date of sale or transfer.

(vii) If the taxpayer knowingly gives misinformation as to ownership and/or occupancy of the real estate on his/her application for a homestead exemption, the City Assessor may, in such event,

remove the homestead exemption and recalculate the tax for the period in question and in addition charge the taxpayer the maximum interest permitted by law.

(viii) The City Assessor is empowered to promulgate any further rules and regulations which he/she deems necessary to carry out the intent and purpose of this ordinance as it relates to the homestead exemption.

(2) Class 2: Commercial and industrial real estate, residential properties containing partial commercial or business uses and residential real estate of more than five (5) dwelling units. Properties containing partial commercial or business uses and residential real estate of more than five (5) dwelling units may be included in Class 1.

(3) Class 3: All ratable tangible personal property.

(4) Class 4: Motor vehicles and trailers subject to the excise tax created by title 44, chapter 34.

(c) Notwithstanding the provisions of subsection (a)(2) and (a)(3) the City of Providence, pursuant to Section 44-5-11.8(c) of the Rhode Island General Laws adopts a tax rate on all Class 3 ratable tangible personal property, in accordance with the following schedule:

Date of Assessment — Tax rate on all ratable tangible personal property shall not exceed the percentages as indicated below:

December 31, 2000 — 120% more than the effective tax rate applicable to any other class.

December 31, 2001 — 106% more than the effective tax rate applicable to any other class.

December 31, 2002 — 92% more than the effective tax rate applicable to any other class.

December 31, 2003 — 78% more than the effective tax rate applicable to any other class.

December 31, 2004 — 64% more than the effective tax rate applicable to any other class.

December 31, 2005 — 50% more than the effective tax rate applicable to any other class.

Section 3. Section 21-183 of Article I entitled "Apportionment of levies" is hereby repealed.

Section 4. This Ordinance shall take effect upon its passage.

Read and Passed the Second Time on Motion of COUNCILWOMAN WILLIAMS, seconded by COUNCILMAN BUTLER, and put to vote by the following Roll Call Vote:

Ayes: Council President Lombardi, Councilmen Aponte, Butler, DeLuca, Councilwoman DiRuzzo, Councilmen Hassett, Mancini, Councilwomen Nolan, Romano and Williams—10.

Nayes: None.

Absent: Councilmen Allen, Clarkin, Igliazzi, Jackson, and Councilwoman Young—5.

The Motion for Passage the Second Time is Sustained.

ADJOURNMENT

There being no further business, on motion of COUNCILWOMAN WILLIAMS, seconded by COUNCILMAN BUTLER, it is voted to adjourn at 6:10 o'clock P.M. (E.S.T.) to meet again on THURSDAY, MARCH 21, 2002 at 7:30 o'clock P.M. (E.S.T.).

Michael R. Clement

City Clerk