

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 2002-37

No. 591

AN ORDINANCE IN AMENDMENT OF CHAPTER 21 OF ARTICLE VII ENTITLED "TAX STABILIZATION FOR INDUSTRIAL PROPERTY" OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE

Approved October 18, 2002

Be it ordained by the City of Providence:

SECTION 1. Chapter 21 of Article VII of the Code of the Ordinances of the City of Providence, is amended by adding the following:

21-170. Property Taxes for Designated Properties in Providence.

The City Council has the authority under the General Laws of the State of Rhode Island to provide special tax considerations for designated projects, as defined below. Private investment is needed to rehabilitate buildings as well as to introduce economically viable uses these buildings, but investment has been insufficient because of the high cost of renovation and difficulty in obtaining commercial tenants. It is therefore in the public interest to provide property tax incentives for owners of designated properties on the landmark list, as defined below, as part of the mill restoration program and in the Arts and Entertainment District in order that there may be substantial rehabilitation of the properties and attract residential, commercial and institutional uses. It is also in the public interest to offer these incentives for a limited duration.

Eligible Property. Eligible properties shall be properties designated on the landmark list as part of the mill restoration program and in the Arts and Entertainment District in the City of Providence as approved by the City Council and shall be eligible if certified by the city Building Inspector as in need of substantial rehabilitation. "Substantial

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FIRST RECORDING
OCT 23 2002
CITY COUNCIL

No.

CHAPTER
AN ORDINANCE

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IN CITY COUNCIL
SEP 5 2002
FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

Richard K. Blum CLERK

THE COMMITTEE ON
FINANCE
Approves Passage of
The Within Ordinance

Ann M. Stetson
9-25-02 Clerk

Comme... Apate, By Request

Rehabilitation” shall mean rehabilitation that adheres to the applicable building and fire codes, extends to all occupiable floors of the building, and equals at least fifty percent (50%) of the current replacement value of the structure, as certified by the city Building Inspector.

Upon enactment, property taxes levied on eligible properties as of December 31, 2000 shall reflect the adopted tax considerations. Owners of eligible properties are required to begin renovations by December 31, 2005 in order to qualify for continued tax considerations. Properties that fail to meet this deadline will be required retroactively to pay the difference between their actual tax payments and what they would have paid if ineligible for the specified tax considerations.

Tax Considerations. The City of Providence shall provide tax considerations for a period beginning with the assessments of December 31, 2001 up to and including December 31, 2011. During this period, eligible properties shall pay annual taxes on land and buildings in an amount equal to the tax assessed as of December 31, 2000. This tax shall be fixed regardless of changes in the tax rate, or of changes in valuation resulting from periodic revaluation. During this period of eligibility, the tax shall be fixed regardless of increased property value resulting from substantial rehabilitation.

During the period of eligibility, the City of Providence shall also use special considerations in taxing tangible property located in businesses in eligible properties. This tax consideration shall not be available for any business relocating from another area of the city of Providence unless that business has been involuntarily relocated or has been relocated as a result of a catastrophic occurrence. This shall apply, however, to expansion projects by businesses already located within this area. For the ten year period, the rate of thirty-three dollars and forty-four cents (\$33.44) shall be applied annually to tangible property value as it is determined and any change from year to year. This consideration shall apply to all taxable businesses occupying eligible properties during

the period of eligibility, regardless of when they first occupied the property.

Transfer of exempt or stabilized property. Tax benefits for eligible properties shall be transferable to new owners or tenants, but the life of the tax consideration shall not be extended.

Other Considerations. This section shall not diminish the authority of any body to review and approve the construction plans for overall appearance or historical preservation standards. This section shall not limit or otherwise preclude the city council from also exempting or stabilizing taxes on properties which would otherwise be permitted by the General Laws of the State of Rhode Island or by this code of ordinances, including but not limited to section 21-169. In the event another exemption or stabilization program is applied to the eligible property, the annual taxes on land and buildings would be the amount equal to the tax assessed as of December 31, 1998 and that will serve as the assessed valuation of the property from which the abatement shall be computed.

Forms and Procedure. The City Assessor shall develop forms and procedures as he or she deems necessary and proper. The procedure for eligible properties under this section shall be the same as in section 21-169(b)(1).

Revocation. The City Council shall terminate an exemption granted hereunder prior to the expiration thereof in the event of fraud or misrepresentation by an applicant regarding any statements or representations contained in the application.

SECTION 2. This Ordinance shall take effect upon passage.

IN CITY COUNCIL
OCT 3 2002
FIRST READING
READ AND PASSED
APPROVED
Michael R. Clement CLERK

John J. Lombardi
MAYOR

IN CITY COUNCIL
OCT 17 2002
FINAL READING
READ AND PASSED
Robert A. Young
ACTING PRESIDENT
Michael R. Clement
CLERK

OCT 18 2002