

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 1984-46

No. 385

AN ORDINANCE IN AMENDMENT OF AND IN ADDITION TO SEC. 2.71 OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE BY ADDING SEC. 2.71-1, TO BE ENTITLED: "REGULATING URBAN RENEWAL EXPENDITURES, AS AMENDED."

Approved June 27, 1984

Be it ordained by the City of Providence:

SECTION 1. Sec. 2.71 of the Code of Ordinances of the City of Providence is hereby amended by adding the following:

SECTION 2.71-1. No urban renewal project shall be undertaken with bond funds or property tax dollars unless the difference between the fair market value of the urban renewal area after the project's completion is sufficiently greater than the fair market value of the area before the project's commencement so as to generate the necessary property tax revenues to justify the project, or unless the project can be justified as serving the area and City's interest. The amount of any benefit shortfall shall be clearly stated and projected over the period corresponding to related debt payments. The City Council Finance Committee shall review and approve the necessary fiscal impact study of all projects before authorizing funding.

SECTION 2. This Ordinance shall take effect upon its Passage.

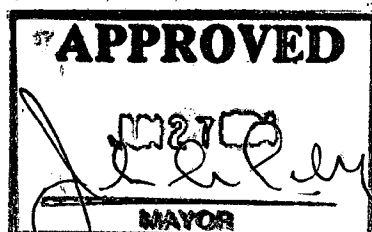
IN CITY COUNCIL
JUN 7 1984
FIRST READING
READ AND PASSED

Rose M. Mendonca CLERK

IN CITY
COUNCIL
JUN 27 1984

FINAL READING
READ AND PASSED

James A. Stewart
PRESIDENT
Rose M. Mendonca
CLERK



No.

CHAPTER

AN ORDINANCE

IN CITY COUNCIL

APR 19 1984

FIRST READING
REFERRED TO COMMITTEE ON

FINANCE

Rose M. Mendoren Clerk

THE COMMITTEE ON

FINANCE

Recommends

Be Continued

Rose M. Mendoren

Clerk

May 7, 1984

May 14, 1984

THE COMMITTEE ON

FINANCE

Approves Passage of
The Within Ordinance

, as amended

Rose M. Mendoren

Clerk Chairman

May 29, 1984

IN CITY COUNCIL

APR 19 1984

COMMITTEE

FINANCE

RECOMMENDS

BE CONTINUED

Councilman Annaldo and Councilwoman Targnoli

STANLEY BERNSTEIN
DIRECTOR



JOSEPH R. PAOLINO, JR.
MAYOR

DEPARTMENT OF PLANNING AND URBAN DEVELOPMENT

May 22, 1984

Councilwoman Carolyn F. Brassil
Chairwoman, Committee on Finance
c/o City Clerk's Office
City Hall
Providence, RI 02903-1789

Re: Proposed Ordinance Regulating Urban Renewal Expenditures

Dear Councilwoman Brassil:

The proposed ordinance requiring a fiscal impact study as a prerequisite to funding an approved urban renewal project has my wholehearted support and endorsement. However, mandating a sufficiently greater fair market value as the sole determinant of whether the project should be funded should be reconsidered.

Urban renewal projects in the past have provided new school sites, public rights-of-way, recreational areas, et cetera and while they didn't add to the tax base, they substituted blighted property with badly needed public improvements.

If the ordinance was to be approved as proposed, the only areas that could be justified would probably be within Downtown and its fringe. Consideration must be given to those areas of the City where an urban renewal project would not provide an overall increase in property values, but where other direct and indirect benefits would serve the area residents by providing job opportunities, better housing, public improvements, et cetera.

As to the measurement of increased property values, it should be noted that the five (5) year moratorium on residential rehabilitation, the tax stabilization program for industrial development, and the ten (10) year real estate revaluation process are factors in any fiscal impact.

In summary, I endorse the requirement for a fiscal impact study, but recommend that the very restrictive and sole determinant of increase of fair market value as set forth in the proposed ordinance be modified as follows: "Section 2. 71-1. No urban renewal project shall be undertaken with bond funds or property tax dollars unless the difference between the fair market value of the urban renewal area after the project's

Councilwoman Carolyn F. Brassil
Chairwoman, Committee on Finance

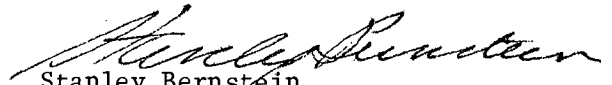
May 22, 1984

Re: Proposed Ordinance Regularing Urban Renewal Expenditures

completion is sufficiently greater than the fair market value of the area before the project's commencement so as to generate the necessary property tax revenues to justify the project, or unless the project can be justified as serving the area and City's interest. The amount of any benefit shortfall shall be clearly stated and projected over the period corresponding to related debt payments. The City Council Finance Committee shall review and approve the necessary fiscal impact study of all projects before authorizing funding."

Any questions can be referred to me.

Sincerely yours,


Stanley Bernstein
Director

SB:MJD