

RESOLUTION OF THE CITY COUNCIL

No.

Approved

WHEREAS, There is an estimated \$110 million deficit for FY2012 as determined by the Municipal Finance Review Panel; and

WHEREAS, Providence taxpayers are already burdened by some of the highest property taxes in the state; and

WHEREAS, Providence must comply with Rhode Island General Law 44-5-2 which caps the property tax levy imposed by municipalities; and

WHEREAS, The Providence City Council convened a Commission to Study Tax Exempt Commission in 2009; and

WHEREAS, This Commission determined in its final report that Brown University, Johnson and Wales University, Providence College, the Rhode Island School of Design, Rhode Island Hospital, Butler Hospital, Miriam Hospital, Roger Williams Medical Center and Women and Infants Hospital owned more than \$3 billion worth of property in the City of Providence; and

WHEREAS, This Commission determined in its final report that Brown University, Johnson and Wales University; Providence College, the Rhode Island School of Design, Rhode Island Hospital, Butler Hospital, Miriam Hospital, Roger Williams Medical Center and Women and Infants Hospital would pay nearly \$83 million in property taxes if collected; and

WHEREAS, These tax exempt institutions only paid \$1.9 million as payments in lieu of taxes to the City of Providence in the last fiscal year pursuant to the 2003 Memorandum of Understanding; and

WHEREAS, These tax exempt institutions and their subsidiaries own between one-quarter and one-third of all privately owned land in the City of Providence; and

WHEREAS, The cost of providing city services to these tax exempt institutions is borne on the backs of Providence homeowners and business owners; and

WHEREAS, The Providence City Council has unanimously passed a resolution in support of legislation at the General Assembly to enable local cities and towns to charge a user fee not to exceed 25% of the assessed property taxes for private colleges, universities and hospitals.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of

Page 2

Providence respectfully requests the acting Tax Assessor of the City of Providence to issue a report to the City Council within 15 days of the passage of this resolution that includes, but is not limited to, the following:

1. A list of all tax exempt property owned by the aforementioned tax exempt institutions and/or their subsidiaries; and
2. A list of all tax exempt property owned by the aforementioned tax exempt institutions and/or their subsidiaries that was purchased since the signing of the 2003 Memorandum of Understanding became effective; and
3. The use classifications of these properties whether dorms, classrooms, cafeterias, research facilities, parking lots, retail, health care, leased, etc.; and
4. A list of all taxes paid on these properties in the most recent fiscal year; and
5. All efforts made by the acting Tax Assessor to collect taxes on property that does not conform to the core mission of the tax exempt institution and/or their subsidiary.

BE IT FURTHER RESOLVED, That a copy of this Resolution be forwarded to the Acting Tax Assessor of the City of Providence.