

CHAPTER 2001-1

No. 1 **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* January 12, 2001

***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. Downcity Tax District.**

The City Council has the authority under the General Laws of the State of Rhode Island to create a Downcity Tax District to provide special tax considerations for designated properties within the district, as defined below. Private investment is needed to rehabilitate and construct buildings as well as to introduce economically viable uses to the area, 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 under-utilized property in the Downcity district in order that there may be substantial rehabilitation of the properties and attract new 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 taxable properties located within the area bounded by Dorrance, Pine, Empire and Sabin Streets within the City of Providence; and shall have been more than fifty percent (50%) vacant as of December 31, 1999 or, although more than fifty percent (50%) occupied, shall be eligible if

No.

**CHAPTER**

**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

IN CITY COUNCIL

*Oct. 5 2000*

FIRST READING

REFERRED TO COMMITTEE ON  
FINANCE

*Michael R. Clement*

THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Ordinance

*As Amended*

*Barbara A. Garrison*

Clerk

*11/15/2000*

certified by the city Building Inspector as in need of substantial rehabilitation.

Buildings demolished after December 31, 1999 shall be ineligible. Properties already vacant as of this date shall be eligible if the owners construct new structures, including parking garages.

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, 2003 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.

Substantial 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.

**Tax Considerations.** The City of Providence shall provide tax considerations for a period beginning with the assessments of December 31, 2000 up to and including December 31, 2010. 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, 1998. 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  
DEC 14 2000  
FIRST READING  
READ AND PASSED

Richard A. Clement CLERK

APPROVED

JAN 12 2001  
Vincent A. Quina  
MAYOR

#2 Submitted  
2000 -- 11/15/2000

PUBLIC LAWS  
CHAPTER

00-302

JT COMM. LEGISLATIVE SERVICE  
LAW REVISION OFFICE

=====  
LC02102  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2000

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A N A C T

RELATING TO THE DOWNCITY SECTION OF PROVIDENCE

00-S 2688

Introduced By: Senators Roney, Ruggerio, Igliazzi,  
Perry, Goodwin, et al.

Date Introduced: February 10, 2000

Referred To: Senate Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1.

2 WHEREAS, The Downcity section of Providence is an important state resource because  
3 of the high quality of its architecture, the important role that it has played in the history of the  
4 state, and the proximity of Downcity to the Capital Center and other areas of major investment;  
5 and

6 WHEREAS, Downcity is the home of such important institutions as Trinity Repertory  
7 Company, Johnson & Wales University, the Providence Performing Arts Center, the University  
8 of Rhode Island's Providence Campus, Roger Williams University's Providence Campus, the  
9 Rhode Island School of Design, the Rhode Island Convention Center and the Westin Hotel, both  
10 of which the state has a substantial investment in; and

11 WHEREAS, In recent decades the Downcity area has suffered from loss of retail and  
12 office space, and currently has extensive vacancies on the upper floors; and

13 WHEREAS, New private investment is needed to rehabilitate buildings and introduce  
14 economically viable uses to the area, but investment has been insufficient because of the high  
15 cost of renovation and the difficulty of obtaining commercial tenants;

16 THEREFORE, The General Assembly finds that is in the public interest to provide  
17 property tax incentives for owners of under-utilized property in the Downcity district, so that they  
18 may substantially rehabilitate their properties and attract new residential, commercial, and

1 institutional uses. The General Assembly also finds that it is in the public interest to offer these  
2 incentives for a limited period in order to bring about the rehabilitation of deteriorated properties  
3 on an expedited basis.

4 SECTION 2. The Providence City Council may by ordinance create a Downcity Tax  
5 District, and provide special tax considerations for designated properties within the district.

6 Upon enactment, property taxes levied on eligible properties as of December 31, 2000  
7 shall reflect the adopted tax considerations. Owners of eligible properties are required to begin  
8 renovations by December 31, 2003 in order to qualify for continued tax considerations.  
9 Properties that fail to meet this deadline will be required retroactively to pay the difference  
10 between their actual tax payments and what they would have paid if ineligible for the specified  
11 tax considerations.

12 Eligible properties shall be taxable properties located within the area bounded by  
13 Dorrance, Pine, Empire and Sabin Streets within the City of Providence; and shall have been  
14 more than fifty percent (50%) vacant as of December 31, 1999 or, although more than fifty  
15 percent (50%) occupied, shall be eligible if certified by the city Building Inspector as in need of  
16 substantial rehabilitation.

17 Buildings demolished after December 31, 1999 shall be ineligible. Properties already  
18 vacant as of this date shall be eligible if the owners construct new structures, including parking  
19 garages. Tax benefits for eligible properties shall be transferable to new owners or tenants, but  
20 the life of the tax considerations shall not be extended.

21 Substantial rehabilitation shall mean rehabilitation that adheres to the applicable building  
22 and fire codes, extends to all occupiable floors of the building, and equals at least fifty percent  
23 (50%) of the current replacement value of the structure, as certified by the city Building  
24 Inspector.

25 This statute shall not diminish the authority of any body to review and approve the  
26 construction plans for overall appearance or historical preservation standards.

27 The City of Providence shall have the authority to provide tax considerations for a period  
28 beginning with the assessments of December 31, 2000 up to and including December 31, 2010.  
29 During this period, eligible properties shall pay annual taxes on land and buildings in an amount  
30 equal to the tax assessed as of December 31, 1998. This tax shall be fixed regardless of changes  
31 in the tax rate, or of changes in valuation resulting from periodic revaluation. During this period  
32 of eligibility, the tax shall be fixed regardless of increased property value resulting from  
33 substantial rehabilitation.

1 During the period of eligibility, Providence shall also be authorized to use special  
2 considerations in taxing tangible property located in businesses in eligible properties. For the ten  
3 year period, the rate of thirty-three dollars and forty-four cents (\$33.44) shall be applied annually  
4 to tangible property value as it is determined and may change from year to year. This  
5 consideration shall apply to all taxable businesses occupying eligible properties during the period  
6 of eligibility, regardless of when they first occupied the property.

7 SECTION 3. This act shall take effect upon passage.

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LC02102  
=====

IN CITY COUNCIL  
DEC. 14, 2000  
FIRST READING  
READ AND PASSED  
*Michael R. Clement*

IN CITY  
COUNCIL  
JAN 4 2001  
FINAL READING  
READ AND PASSED  
*Michael R. Clement*  
PRESIDENT  
*Michael R. Clement*  
CLERK

APPROVED  
JAN 12 2001  
*Michael R. Clement*  
MAYOR

IN THE SENATE  
Referred to the Committee on  
FINANCE  
  
FEB 10 2000  
  
*John D. Baty*  
Reading Clerk

IN SENATE *JUL 22 00*  
THE COMMITTEE ON FINANCE  
RECOMMEND THE PASSAGE *200-*  
*2688* OF THE WITHIN BILL  
  
*As Received*  
  
*J. M. Senkus*  
FOR THE COMMITTEE

IN THE SENATE  
Order to be placed upon the  
CALENDAR  
  
JUN 23 2000  
  
*John D. Baty*  
Reading Clerk

IN THE SENATE  
READ AND PASSED  
  
JUN 27 2000  
  
*John D. Baty*  
Reading Clerk

IN HOUSE OF REPRESENTATIVES  
REFERRED TO THE COMMITTEE ON  
FINANCE  
  
JUN 27 2000  
  
*James P. Langan*

IN HOUSE OF REPRESENTATIVES  
JUN 29 2000  
THE COMMITTEE ON FINANCE  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE  
*005 2688*  
*Paul J. Harkin*  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES  
ORDERED  
TO BE PLACED ON THE  
CALENDAR  
JUN 29 2000  
*James P. Langan* Clerk

IN HOUSE OF REPRESENTATIVES  
READ AND PASSED IN CONCURRENCE  
JUN 30 2000  
*James P. Langan*

IN HOUSE OF REPRESENTATIVES  
TRANSMITTED TO THE  
GOVERNOR  
JUL 10 2000  
*Grada W. McElroy*  
Recording Clerk

EXECUTIVE DEPARTMENT,  
Received JUL 10 2000  
  
NO ACTION  
TAKEN BY THE  
GOVERNOR  
  
GOVERNOR

*James P. Langan*  
*Richard J. Hughes*  
*Sharon E. Goldberg*  
*Paul J. Harkin*  
*John T. Lipp*

RECEIVED FROM THE GOVERNOR  
WITHOUT SIGNATURE  
  
EFFECTIVE JUL 18 2000  
  
IN ACCORDANCE WITH ARTICLE XV  
OF AMENDMENTS AND OF SECTION  
43-1-1 AND 43-1-2 OF THE GENERAL LAWS  
*James P. Langan*

Presented by

RELATING TO THE DOWNCITY SECTION OF PROVIDENCE

AN ACT

JT COMM. LEGISLATIVE SERVICES  
H. LAW REVISION OFFICE

S.  
2000S 2688

00-302

PUBLIC LAWS  
CHAPTER