City of Providence
STATE OF RHODE ISLAND

RESOLUTION OF THE CITY COUNCIL

No. 3

Approved Janaury 15, 2025

WHEREAS, Joseph Caffey Apartments, located at 16 Somerset Street in the City of Providence, Rhode Island, Assessor's Plat 023, Lot 1001, fulfills a crucial need in the city for affordable housing by providing 54 units dedicated to low- to moderate-income households; and

WHEREAS, All units at Joseph Caffey Apartments meet critical affordable housing standards, with 11 units designated at 80% Area Median Income (AMI), 32 units at 60% AMI, and 11 units at 30% AMI, ensuring housing access for Providence residents with a variety of financial needs; and

WHEREAS, The City of Providence has an established "8% Tax Treatment" for affordable housing developments, wherein eligible properties are assessed a tax equal to 8% of their Gross Potential Rent (GPR); and

WHEREAS, For Joseph Caffey Apartments, the Gross Potential Rent (GPR) is calculated at $944,856, resulting in an 8% tax bill of $75,588; and

WHEREAS, Due to unforeseen construction delays, Joseph Caffey Apartments, developed by Omni Development Corporation, was unable to meet the completion and occupancy deadline of December 30, 2023, instead achieving substantial completion on March 27, 2024, and full occupancy on July 22, 2024; and

WHEREAS, Due to the delay, the property was assessed a full property tax bill of $239,452, rather than the 8% tax treatment; and

WHEREAS, The Providence City Council, pursuant to sections 21-2 and 21-3 of the Providence Code of Ordinances, holds the authority to abate assessed taxes and to order the remittance of taxes paid into the city treasury, and recognizes the importance of aligning Joseph Caffey Apartments with the intended 8% tax treatment to support Providence's affordable housing goals.

NOW, THEREFORE, BE IT RESOLVED,

1. **Tax Abatement of Excess Property Tax**: The Providence City Council hereby grants an abatement of $163,864 from the property tax bill assessed to Joseph Caffey Apartments for tax year 2024 to align the tax bill with the intended 8% tax treatment afforded to qualifying affordable housing projects.
2. **Support of Affordable Housing Initiatives**: The Providence City Council reaffirms its commitment to affordable housing by supporting tax policies that facilitate the development and operation of income-restricted housing units, such as those provided by Joseph Caffey Apartments, which contribute to the stability and well-being of Providence residents.

BE IT FURTHER RESOLVED, That upon passage, copies of this resolution be sent to the Tax Collector of the City of Providence, the Tax Assessor of the City of Providence, the Honorable Mayor of the City of Providence, and the Omni Development Corporation.

IN CITY COUNCIL
JAN 09 2025
READ AND PASSED

RACHEL M. MILLER, PRESIDENT

CLERK

I HEREBY APPROVE.

Mayor

Date: 1/15/2025