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LC001616

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICT COMMISSION -- CAPITAL
CENTER COMMISSION

Introduced By: Senators Bissaillon, Ciccone, Mack, Bell, and Quezada

Date Introduced: March 07, 2025

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 2 of Chapter 332 of the Public Laws of 1981, entitled "Capital Center
2 Commission" as amended by Article XXV of Chapter 167 of the Public Laws of 1983 and Chapter
3 19 of the Public Laws of 1994, is hereby repealed:

4 ~~Sec. 2. "Capital Center Commission", is hereby created as a public corporation with the~~
5 ~~following purposes and powers:~~

6 ~~(1) Capital Center Commission Constituted Public Corporation and Agency of the State.—~~
7 ~~—The capital center commission (hereinafter sometimes referred to as the "Commission"),~~
8 ~~heretofore created as a nonbusiness corporation under and pursuant to sections 7-6-1 to 7-6-18 of~~
9 ~~the general laws, as amended, is hereby constituted and established as a public corporation and~~
10 ~~instrumentality of the state of Rhode Island, with such powers as are set forth in this act and is~~
11 ~~authorized, upon being duly designated therefor by a city council pursuant to section 45-24.4-6 of~~
12 ~~the general laws, as amended, to adopt, implement and administer a plan of development for a~~
13 ~~special development district, as provided for by the Rhode Island Special Development District~~
14 ~~Act. The exercise by the commission of the powers conferred by this act will be deemed and held~~
15 ~~to be the performance of an essential governmental function.~~

16 ~~(2) Purposes.—The commission is constituted and established for the purpose of accepting~~
17 ~~the designation of a city council pursuant to section 45-24.4-6 of the general laws, as amended, as~~
18 ~~a special development district commission with the power to adopt, implement and administer a~~

1 ~~plan of development for a special development district, as provided for by the Rhode Island Special~~
2 ~~Development District Act.~~

3 ~~(3) Powers.— Except to the extent inconsistent with any specific provision of this act, the~~
4 ~~commission shall have the power:~~

5 ~~(a) To sue and be sued, complain and defend, in its corporate name.~~

6 ~~(b) To have a seal which may be altered at pleasure and to use the same by causing it, or a~~
7 ~~facsimile thereof, to be impressed or affixed or in any other manner reproduced.~~

8 ~~(c) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use and~~
9 ~~otherwise deal in and with, real or personal property, or any interest therein, wherever situated.~~

10 ~~(d) To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of~~
11 ~~all or any part of its property and assets for such consideration and upon such terms and conditions~~
12 ~~as the commission shall determine.~~

13 ~~(e) To make contracts and guarantees and incur liabilities, and to borrow money at such~~
14 ~~rates of interest as the commission may determine.~~

15 ~~(f) To make and execute agreements of lease, conditional sales contracts, installment sales~~
16 ~~contracts, loan agreements, mortgages, construction contracts, operation contracts, and other~~
17 ~~contracts and instruments necessary or convenient in the exercise of the powers and functions of~~
18 ~~the commission granted by this act.~~

19 ~~(g) To lend money for its purposes, invest and reinvest its funds, and at its option to take~~
20 ~~and hold real and personal property as security for the payment of funds so loaned and invested.~~

21 ~~(h) To acquire or contract to acquire, from any person, firm, corporation, municipality, the~~
22 ~~federal government or the state, or any agency of either the federal government or state, by grant,~~
23 ~~purchase, lease, gift, or otherwise, or to obtain options for the acquisition of any property, real or~~
24 ~~personal, improved or unimproved, and interests in land less than the fee thereof; and to own, hold,~~
25 ~~clear, improve, develop and rehabilitate, and to sell, assign, exchange, transfer, convey, lease,~~
26 ~~mortgage, or otherwise dispose of or encumber the same for the purposes of carrying out the~~
27 ~~provisions and intent of this chapter, for such consideration as the commission shall determine.~~

28 ~~(i) To conduct its activities, carry on its operations, and have offices and exercise the~~
29 ~~powers granted by this act.~~

30 ~~(j) To elect or appoint officers and agents of the commission and define their duties and fix~~
31 ~~their compensation.~~

32 ~~(k) To make and alter by laws, not inconsistent with this act, for the administration and~~
33 ~~regulation of the affairs of the commission. Such by laws may contain provisions indemnifying~~
34 ~~any person who is or was a director, officer, employee or agent of the commission, or is or was~~

1 ~~servicing at the request of the commission, as a director, officer, employee or agent of another~~
2 ~~corporation, partnership, joint venture, trust or other enterprise, in the manner and to the extent~~
3 ~~provided in section 7-1-1-4.1 of the Rhode Island business corporation act.~~

4 ~~(l) To be a promoter, partner, member, associate, or manager of any partnership, enterprise~~
5 ~~or venture.~~

6 ~~(m) To levy, collect and administer the funds derived from special assessments upon the~~
7 ~~owners of real property within the special development district, which assessments may be used to~~
8 ~~provide supplemental services, such as sanitation and maintenance, within the district, or to plan,~~
9 ~~establish, acquire, construct, contract for, subsidize, operate, or otherwise develop parking~~
10 ~~facilities, special transportation systems, special lighting, special street or sidewalk design,~~
11 ~~landscaping, pedestrian malls, cultural activities, and such other improvements, systems, services,~~
12 ~~or activities within the bounds of the special development district that may beneficially affect such~~
13 ~~district, provided, however, that such special assessments may be levied, collected, and~~
14 ~~administered only in the following manner:~~

15 ~~(i) Special assessments may be levied from time to time only upon the written request of~~
16 ~~the owners of a majority in fair market value of the real property and any improvements thereon~~
17 ~~located in the district, may not exceed an amount approved in writing from time to time by the~~
18 ~~owners of a majority in fair market value of the real property and any improvements thereon located~~
19 ~~in the district, and may be used only for such purposes as are approved in writing by the owners of~~
20 ~~a majority in fair market value of the real property and any improvements thereon located in the~~
21 ~~district.~~

22 ~~(ii) Any part of a special assessment collected but not expended during one fiscal year may~~
23 ~~be expended for the purposes hereinabove set forth during the ensuing fiscal year.~~

24 ~~(iii) Special assessments shall be levied on all owners of real property within the district in~~
25 ~~proportion to the fair market value of the real property including any improvements thereon, that~~
26 ~~they own within the district.~~

27 ~~For the purposes of this section, the fair market value of all real property and any~~
28 ~~improvements thereon within the district shall be the full and fair cash value that reflects a~~
29 ~~hypothetical bargain between a willing seller and a willing buyer. The fair market value shall be~~
30 ~~determined by the commission through appraisal or other appropriate procedures not less than once~~
31 ~~every five years as of the thirty first day of December in any year at twelve o'clock midnight. The~~
32 ~~fair market value of any property upon which improvements have been constructed after the date~~
33 ~~of any given valuation by the commission shall be determined by the commission by projecting~~
34 ~~what the fair market value of the improvements would have been had they been constructed to that~~

1 ~~degree on the date of the last valuation. The commission shall arrive at this projected fair market~~
2 ~~value on the basis of a ratio derived by comparing the most recent sales of comparable property~~
3 ~~within the district to the fair market value of those pieces of property as of the last valuation by the~~
4 ~~commission.~~

5 ~~(n) To have and exercise all powers necessary or convenient to effect its purposes.~~

6 ~~(4) Commissioners; Term of Office; Officers. — (a) The powers of the commission will be~~
7 ~~vested in the board of commissioners duly appointed pursuant to the provisions of this paragraph.~~
8 ~~Successors to the commissioners, currently serving, will be appointed as follows:~~

9 ~~(1) On or after June 30, 1993, the board of commissioners shall consist of thirteen (13)~~
10 ~~appointed commissioners twelve (12) of whom have been appointed in the following manner: four~~
11 ~~(4) appointed by the governor of the state of Rhode Island; four (4) appointed by the mayor of the~~
12 ~~city of Providence; four (4) appointed by the chairperson of the Providence Foundation, a Rhode~~
13 ~~Island non-business corporation formed for certain charitable purposes; and one (1) (who is the~~
14 ~~chairperson of the commission) appointed by majority vote of the governor, the mayor, and the~~
15 ~~chairperson of the Providence Foundation. (The said governor, the mayor, and the chairperson of~~
16 ~~the Providence Foundation are hereinafter sometimes referred to as the "appointing authorities").~~

17 ~~(2) On or after June 30, 1993, in addition to the thirteen (13) appointed commissioners, the~~
18 ~~following four (4) individuals shall serve as ex officio commissioners: a) the chairperson of the~~
19 ~~corporations committee of the house of representatives of the Rhode Island general assembly; b)~~
20 ~~the chairperson of the corporations committee of the senate of the Rhode Island general assembly;~~
21 ~~c) the chairperson of the finance committee of the Providence city council; d) the chairperson of~~
22 ~~the committee on urban redevelopment renewal, and planning of the Providence city council, or~~
23 ~~the designee of any of the above named individuals.~~

24 ~~(3) The appointed commissioners presently serving, including the chairperson, shall~~
25 ~~continue to serve until the expiration of their present terms except as specifically provided herein.~~
26 ~~During the month of June, 1993, the appointing authorities will appoint commissioners (other than~~
27 ~~chairperson) as follows: Each of the appointing authorities will appoint one (1) commissioner to~~
28 ~~serve a four year term then expiring; provided, however, if on June 30, 1993, there are two (2)~~
29 ~~commissioners appointed by the governor serving a term expiring on June 30, 1996, the governor~~
30 ~~shall fill the vacancy created by the expiration of the term of the governor's appointee on June 30,~~
31 ~~1993 by extending for one (1) year to June 30, 1997 the term of one (1) of the two (2) commissioners~~
32 ~~appointed by the governor whose term would expire June 30, 1996, thereby reducing the number~~
33 ~~of commissioners appointed by the governor to four (4). During the month of June of each~~
34 ~~succeeding year after 1993, the appointing authorities will appoint commissioners to serve for terms~~

1 ~~of four (4) years to succeed the members (including the chairperson) whose terms expire on June~~
2 ~~30 of each such year.~~

3 ~~The term of the commissioner who is a member of the house of representatives appointed~~
4 ~~by the speaker shall expire on June 30, 1993; the term of the commissioner who is a member of the~~
5 ~~senate appointed by the majority leader shall expire on June 30, 1993; on and after June 30, 1993~~
6 ~~the speaker of the house of representatives and the majority leader of the senate shall no longer be~~
7 ~~appointing authorities.~~

8 ~~(b) Each commissioner will be eligible for reappointment. Each commissioner whose term~~
9 ~~of office expires shall continue to hold office until his or her successor is appointed and has~~
10 ~~qualified. Each commissioner, before entering upon his or her duties, will take an oath to support~~
11 ~~the Constitution and laws of the state, and the Constitution of the United States, and to faithfully~~
12 ~~and impartially discharge the duties of his or her office. The commissioners will receive no~~
13 ~~compensation for the performance of their duties but may be reimbursed for their reasonable~~
14 ~~expenses incurred in carrying out such duties.~~

15 ~~(c) The board of commissioners may designate from among its members an executive~~
16 ~~committee and one or more other committees each of which, to the extent authorized by the board~~
17 ~~of commissioners, will have and may exercise all the authority of the board of commissioners, but~~
18 ~~no such committee shall have the authority of the board of commissioners in reference to the~~
19 ~~disposition of all or substantially all the property and assets of the commission, or amending the~~
20 ~~by laws of the commission.~~

21 ~~(d) Any action required by this act to be taken at a meeting of the board of commissioners~~
22 ~~or any action which may be taken at a meeting of the board of commissioners, or committee thereof,~~
23 ~~may be taken without a meeting if a consent in writing, setting forth the action so to be taken shall~~
24 ~~be signed before or after such action by all of the commissioners, or all of the members of the~~
25 ~~committee, as the case may be.~~

26 ~~(e) Employees of the commission shall not, by reason of such employment, be deemed to~~
27 ~~be employees of the state for any purpose, any other provision of the general laws to the contrary~~
28 ~~notwithstanding, including, without limiting the generality of the foregoing, chapters 29, 39, and~~
29 ~~42 of title 28 and chapters 4, 8, 9 and 10 of title 36."~~

30 ~~(5) APPLICATION OF OTHER LAWS.— The Commission is authorized and empowered~~
31 ~~to acquire and dispose of real property without the necessity of obtaining the approval of the State~~
32 ~~Properties Committee or otherwise complying with the provisions of Title 37 of the General Laws,~~
33 ~~as amended. The Commission will not be subject to the provisions of Sections 42-35-1 to 42-35-~~
34 ~~18 of the General Laws, as amended. The Commission and the members of the Board of~~

1 ~~Commissioners will be subject to the provisions of Sections 36-14-1 to 36-14-19 and Sections 42-~~
2 ~~46-1 to 42-46-10 of the General Laws, as amended.~~

3 ~~(6) EXEMPTION FROM TAXATION.—(a) the exercise of the powers granted by this~~
4 ~~act will be in all respects for the benefit of the people of this State, the increase of their commerce,~~
5 ~~welfare and prosperity and will constitute the performance of an essential governmental function~~
6 ~~and the Commission will not be required to pay any state income taxes.~~

7 ~~(b) The Commission will not be required to pay state taxes of any kind, and the~~
8 ~~Commission, its property and moneys and, except for estate, inheritance and gift taxes any bonds~~
9 ~~or notes issued by it and the income (including gain from sale or exchange) therefrom will at all~~
10 ~~times be free from taxation of every kind by the State.~~

11 ~~(7) Notes and Bonds as Legal Investments.—The notes and bonds of the commission are~~
12 ~~hereby made securities in which all public officers and bodies of this state and all municipalities~~
13 ~~and municipal subdivisions, all insurance companies and associations, and other persons carrying~~
14 ~~on an insurance business, all banks, bankers, trust companies, savings banks and saving associations,~~
15 ~~including savings and loan associations, building and loan associations, investment companies and~~
16 ~~other persons carrying on a banking business, all administrators, guardians, executors, trustees and~~
17 ~~other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to~~
18 ~~invest in bonds or other obligations of the state, may properly and legally invest funds, including~~
19 ~~capital, in their control or belonging to them, provided the commission shall not issue notes or~~
20 ~~bonds under this section in excess of fifty thousand dollars (\$50,000.00) without the express~~
21 ~~approval of the general assembly and shall not issue notes or bonds under this section in excess of~~
22 ~~two million dollars (\$2,000,000.00) without the express approval of the qualified electors of the~~
23 ~~state of Rhode Island at a special or general elections.~~

24 ~~(8) AGREEMENT OF THE STATE.—The State does hereby pledge to and agree with the~~
25 ~~holders of any bonds or notes issued by the Commission, that the State will not limit or alter the~~
26 ~~rights hereby vested in the Commission to fulfill the terms of any agreements made with the holders~~
27 ~~until such bonds or notes, together with the interest thereon, with interest on any unpaid installments~~
28 ~~of interest, and all costs and expenses in connection with any action or proceeding by or on behalf~~
29 ~~of such holders, are fully met and discharged. The Commission is authorized to include this pledge~~
30 ~~and agreement of the State in any agreement with the holders of such bonds or notes.~~

31 ~~(9) CREDIT OF THE STATE.—Obligations issued by the Commission will not constitute~~
32 ~~a debt, liability or obligation of the State or of any political subdivision thereof other than the~~
33 ~~Commission or a pledge of faith and credit of the State or any political subdivision other than the~~
34 ~~Commission but shall be payable solely from the revenues or assets of the Commission.~~

1 ~~(10) SEVERABILITY. — If any one or more sections, clauses, sentences, or parts of this~~
2 ~~chapter shall for any reason be adjudged unconstitutional or otherwise invalid in any court, such~~
3 ~~judgement shall not affect, impair, or invalidate the remaining provisions thereof but shall be~~
4 ~~confined in its operation to the specific provisions so held unconstitutional or invalid, and the~~
5 ~~inapplicability or invalidity of any section, clause or provision of said chapter in any one or more~~
6 ~~instances or circumstances shall not be taken to affect or prejudice in any way its applicability or~~
7 ~~validity in any other instance.~~

8 SECTION 2. This act shall take effect upon passage and enactment of an ordinance by the
9 city of Providence similarly repealing local legislation that established the Capital Center
10 Commission; provided, however, if that already has occurred, this act shall take effect upon
11 passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICT COMMISSION -- CAPITAL
CENTER COMMISSION

1 This act would repeal legislation establishing the Capital Center Commission, which is a
2 special development district commission for downtown Providence.

3 This act would take effect upon passage and enactment of an ordinance by the city of
4 Providence similarly repealing local legislation that established the Capital Center Commission;
5 provided, however, if that already has occurred, this act would take effect upon passage.

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