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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO TOWNS AND CITIES -- REDEVELOPMENT AGENCIES AND PROJECTS

Introduced By: Representatives Messier, Coughlin, Johnston, Tobon, and Barros

Date Introduced: January 25, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 45 of the General Laws entitled "TOWNS AND CITIES" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 33.4

4 CITY OF PAWTUCKET DOWNTOWN REDEVELOPMENT PROJECT

5 **45-33.4-1. Definitions.**

6 For purposes of this Chapter, the following terms shall have the meanings ascribed to
7 them herein:

8 (1) "Agency" means the Pawtucket Redevelopment Agency, established in accordance
9 with chapter 31 of title 45 of the general laws.

10 (2) "Ballpark" shall mean a new ballpark, currently known as the Ballpark at Slater Mill,
11 and related facilities and parking in the City.

12 (3) "Ballpark District" means the Ballpark district of the Downtown Pawtucket
13 Redevelopment Project Area including the Ballpark and its immediately adjacent parcels within
14 the redevelopment area approved by the Agency in accordance with the procedures set forth in
15 chapters 31, 32 and 33 of title 45 of the general laws.

16 (4) "Bonds" means revenue bonds issued by the Pawtucket Redevelopment Agency in
17 accordance with the provisions of chapters 31, 32 and 33 of title 45 of the general laws in order to
18 finance the Ballpark and Land Costs, which bonds may be issued on a tax-exempt or taxable
19 basis, on a fixed rate basis or variable rate basis or any combination thereof, and may be issued in

1 one or more sub-series and supported with letters or lines of credit, liquidity facilities, insurance
2 or other support arrangements including, but not limited to, interest rate 'caps,' 'floors,' 'collars,'
3 that the Agency determines to be necessary or desirable for the purpose of generating savings or
4 managing interest rates in connection with, or subsequent to, or incidental to the issuance,
5 carrying or securing of the bonds.

6 (5) "City" means the City of Pawtucket, Rhode Island.

7 (6) "City Economic Activity Taxes" means City tangible asset taxes, food and beverage
8 tax revenues and non-real property assessments tax revenues from activities at McCoy Stadium
9 plus incremental tangible asset taxes, hotel taxes, food and beverage tax revenues and non-real
10 property assessments to be generated in and around the Downtown Pawtucket Redevelopment
11 Area as set forth in the Economic Activity Taxes Agreement negotiated by the Governor and the
12 State Director of the Department of Revenue, as described in § 45-33.4-4, in addition to premium
13 ticket surcharges.

14 (7) "City Tax Increment Revenues" means revenues generated under chapter 33.2 of title
15 45 of the general laws which are expected to include incremental real estate property taxes,
16 special assessments on real property and betterment fees generated in and around the Downtown
17 Pawtucket Redevelopment Area.

18 (8) "Downtown Pawtucket Redevelopment Plan" means the redevelopment plan
19 proposed to be approved by the Agency pursuant to chapters 31, 32 and 33 of title 45 of the
20 general laws that contemplates public uses of the Ballpark and a mixed use real estate
21 development in an adjacent area which may include retail, entertainment, restaurant, public park,
22 civic space, hotel, office space and residential components as part of a larger redevelopment of
23 downtown Pawtucket.

24 (9) "Downtown Pawtucket Redevelopment Project" means the project proposed to be
25 approved by the Agency in accordance with chapters 31, 32 and 33 of title 45 of the general laws,
26 that contemplates public uses of the Ballpark and a mixed use real estate development in an
27 adjacent area which may include retail, entertainment, restaurant, public park, civic space, hotel,
28 office space and residential components as part of a larger redevelopment of downtown
29 Pawtucket.

30 (10) "Downtown Pawtucket Redevelopment Area" means the redevelopment area
31 approved by the Agency in accordance with the procedures set forth in chapters 31, 32 and 33 of
32 title 45 of the general laws.

33 (11) "State Economic Activity Taxes" shall mean existing tax revenues realized from
34 activities at McCoy Stadium and tax revenue in the Ballpark District of the Downtown Pawtucket

1 Redevelopment Area assessed and collected under chapters 18, 19, and 30 of title 44 of the
2 general laws.

3 (12) "Economic Activity Taxes Agreement" means the agreement by and among the
4 Agency, the City and the State described in § 45-33.4-4.

5 (13) "Land Costs" means the cost of land acquisition for the Ballpark and related
6 infrastructure which shall include all related expenses of acquisition by purchase or through
7 eminent domain;

8 (14) "Lease" means the lease agreement to be entered into by the Agency, as lessor and
9 the Team, as lessee, providing for the lease of, and payment of rentals for the Ballpark and related
10 facilities.

11 (15) "McCoy Stadium" means the existing minor league baseball stadium by that name
12 located in the City.

13 (16) "PawSox" or "Team" shall mean the Pawtucket Red Sox Baseball Club, LLC, its
14 affiliates, successors or assigns.

15 (17) "Renewal and Replacement Reserve Fund" means the fund established pursuant to §
16 45-33.4-5 to ensure funding of maintenance, renewal and replacement of the Ballpark and related
17 facilities.

18 (18) "State" means the State of Rhode Island and Providence Plantations.

19 (19) "Ticket" means any physical, electronic, or other form of certificate, document, or
20 token showing that a fare, admission, or license fee for a right to enter the Ballpark has been paid.

21 **45-33.4-2. Findings and legislative determinations.**

22 (a) After lengthy study, review of and comment on various proposals, numerous public
23 hearings and substantial due diligence, the General Assembly hereby finds that:

24 (1) McCoy Stadium was constructed seventy-five (75) years ago in the City, has
25 undergone two renovations since that time and, being near the end of its useful life, will not meet
26 the standards for Triple-A baseball without major repairs and renovations; and

27 (2) The estimated cost to repair and renovate McCoy Stadium is approximately the same
28 as the cost of constructing a new facility, with no expected catalytic impact on ancillary
29 development surrounding McCoy Stadium; and

30 (3) The downtown area of the City has been economically depressed and has seen very
31 limited new infrastructure, development, or investment in decades and the Ballpark is anticipated
32 to jumpstart new economic initiatives in the City and in the Blackstone Valley and create new
33 jobs in the state; and

34 (4) The City is developing a redevelopment plan that contemplates public uses of the

1 Ballpark and a mixed use real estate development in an adjacent area which may include retail,
2 entertainment, restaurant, public park, civic space, hotel, office space and residential components
3 as part of a larger redevelopment of downtown Pawtucket; and

4 (5) The Ballpark will operate and be utilized as a public park and will create public
5 recreational, social, and communal benefits; and

6 (6) It is proposed that the Agency will own the Ballpark and lease the Ballpark to the
7 Team and that the State will not be a party to the Lease or any sublease of the Ballpark; and

8 (7) In order to reduce interest rate costs to finance the Ballpark and Land Costs, the City
9 has proposed that the Agency will issue the Bonds to finance such costs on a tax-exempt basis, to
10 the extent permitted by federal tax law; and

11 (8) Revenues to be generated by the Downtown Pawtucket Redevelopment Project are
12 projected by industry experts to be more than sufficient to cover the costs of financing the
13 Ballpark and Land Costs; and

14 (9) Land Costs and Ballpark construction costs are expected to be approximately eighty-
15 three million dollars (\$83,000,000), excluding financing costs; and

16 (10) The PawSox propose to contribute forty-five million dollars (\$45,000,000),
17 including twelve million dollars (\$12,000,000) in equity contributions from PawSox owners to
18 the total project cost, which equity contributions shall be expended toward the construction of the
19 Ballpark and shall be expended in full no later than the opening of the Ballpark, and thirty-three
20 million dollars (\$33,000,000) to be financed by Bonds issued by the Agency; and

21 (11) The Bonds shall, to the extent practicable, be issued by means of a public offering,
22 and shall not be sold by means of a private placement unless it is impracticable or economically
23 inefficient to issue and sell the bonds in a public offering. If Bonds are privately placed, the
24 underwriters, placement agent or purchasers of such Bonds, or a municipal financial advisor
25 registered with the Securities and Exchange Commission, shall certify that the interest rates,
26 prices and yields of the Bonds represent fair market prices of the Bonds.

27 (12) The Team, the Agency and the State shall conduct due diligence with the
28 underwriters or placement agent for the Bonds in accordance with federal securities laws and
29 rules of the United States Securities and Exchange Commission and Municipal Securities
30 Rulemaking Board to ensure that the contributions and financial responsibilities of the parties are
31 fully and publicly disclosed.

32 (13) The State proposes to contribute State Economic Activity Taxes realized from
33 activities in the Ballpark District and at McCoy Stadium to support Bonds issued by the Agency;
34 and

1 (14) The City proposes to contribute City Tax Increment Revenues and City Economic
2 Activity Taxes in order to support Bonds of the Agency.

3 (15) Energy costs for public buildings are skyrocketing and will likely continue to
4 increase; energy use by public buildings contributes substantially to the problems of pollution and
5 global warming; public buildings can be built and renovated using high-performance methods
6 that save energy, reduce water consumption, improve indoor air quality, preserve the
7 environment, and make workers and students more productive; and

8 (16) The use of green and sustainable infrastructure in the development and construction
9 of the Ballpark will address stormwater runoff and reduce flooding, reduce pollutant levels in
10 nearby waterways, and may reduce long-term operating costs of the Ballpark.

11 (b) The General Assembly hereby determines and declares that the financing,
12 construction, and development of a Ballpark in the City to be used primarily as a venue for Minor
13 League Baseball and also as a public park, as well as the redevelopment of the surrounding
14 depressed neighborhood, are public uses that are in the interest of, and for benefit of, the citizens
15 of the State, and will contribute substantially to the social and economic well-being of the citizens
16 of the State and significantly enhance the economic development and employment opportunities
17 within the City and the State;

18 (c) The General Assembly hereby determines and declares that government support in
19 facilitating the presence of Minor League Baseball and the development of a public park in the
20 City provides to the State and its citizens highly-valued intangible benefits that increase the
21 quality of life and civic relationships of their citizens; and

22 (d) The General Assembly hereby determines and declares that the expenditure of public
23 money for these purposes is necessary and serves a public purpose.

24 **45-33.4-3. Contributions from parties.**

25 Debt service payments on the Bonds shall be payable from Lease rental payments by the
26 PawSox, from annual naming rights payments received by the PawSox, and any such other
27 payments necessary to fully cover the Team's annual Lease obligation, State Economic Activity
28 Taxes, City Tax Increment Revenues, and City Economic Activity Taxes, each year for a period
29 of up to thirty (30) years or any combination thereof.

30 **45-33.4-4. Authorization of economic activity taxes agreement.**

31 (a) The State, acting by and through the Department of Revenue, is authorized to enter
32 into an Economic Activity Taxes agreement with the Agency and the City with a term
33 coterminous with the Bonds for the purposes of financing a portion of the Ballpark and Land
34 Costs and costs associated with the Bonds, including capitalized interest, debt service reserves

1 and costs of issuance. Such Economic Activity Taxes agreement may include such covenants and
2 undertakings of the State as the State Director of the Department of Revenue and the Governor
3 deem reasonable, including, without limitation, provisions enabling the payment of amounts
4 under the Economic Activity Taxes agreement from legally available funds for each fiscal year
5 during which any Bonds are outstanding. The Division of Taxation may issue rules and
6 regulations with respect to this section.

7 (b) Such Economic Activity Taxes agreement and the pledge and assignment of the State
8 Economic Activity Taxes shall be subject to the provisions of this chapter rather than the
9 provisions of title 42 of chapter 64.21 of the general laws. Beginning no earlier than July 1, 2019
10 such State Economic Activity Taxes shall be segregated by the State division of taxation from all
11 other tax revenues of the State and deposited on a monthly basis into a restricted account known
12 as the "Downtown Pawtucket Redevelopment Economic Activity Taxes Fund." Monies deposited
13 in the Downtown Pawtucket Redevelopment Economic Activity Taxes Fund may be applied to
14 payment of debt service on the Bonds, to fund debt service reserves, to the State's contributions to
15 the Renewal and Replacement Reserve Fund, to costs of infrastructure improvements in and
16 around the area of the Downtown Pawtucket Redevelopment Project, to fund future debt service
17 on the Bonds and to fund a redevelopment revolving fund established in accordance with § 45-
18 33-1. If monies remain in such Downtown Pawtucket Redevelopment Economic Activity Taxes
19 Fund at the end of the State's fiscal year, such monies shall be retained in the Fund to be applied
20 in future fiscal years and shall not be applied to reduce future payments but may be applied to
21 "super sinker," "turbo" or other redemption of the Bonds, such that if the Agency receives
22 revenues in excess of requirements in the bond indenture or trust agreement securing the Bonds, it
23 may retire bonds. Nothing in this chapter shall prohibit the pooling of revenues for the payment
24 of the Bonds, provided that the Economic Activity Taxes Agreement, bond indenture or trust
25 agreement shall provide for a reconciliation of contributions of the Team, the Agency, the City
26 and the State from time to time, but no less than every three (3) years. Such reconciliation shall be
27 subject to review by the State Auditor General. Such review shall be provided to the Governor,
28 Speaker of the House and the President of the Senate.

29 (c) The Economic Activity Taxes agreement shall not constitute indebtedness of the State
30 or any of its subdivisions, or a debt for which the full faith and credit of the State or any of its
31 subdivisions is pledged. The State's obligation to make payments of State Economic Activity
32 Taxes under the State Economic Activity Taxes agreement shall be solely from legally available
33 funds.

34 **45-33.4-5. Renewal and replacement reserve fund.**

1 (a) The Team, the Agency and the State shall establish and maintain a Renewal and
2 Replacement Reserve Fund for the long-term capital needs of the Ballpark to ensure that the
3 Ballpark remains a first class Triple-A minor league baseball facility and an asset to the Agency
4 and the surrounding community. The Team shall be responsible for a minimum of fifty percent
5 (50%) of the costs of annual capital expenditures for structural repairs including, but not limited
6 to, repairs and improvements to the roof and exterior walls of the facility, protective coatings,
7 ramps, plumbing, and all repairs, replacements, and improvements, whether capital or ordinary,
8 needed to preserve the Ballpark. The Team, the City, and the State, from legally available funds,
9 shall contribute a combined minimum of one hundred fifty thousand dollars (\$150,000) per year
10 in total to the Renewal and Replacement Reserve Fund for use to finance capital expenditures.
11 The Team shall contribute a minimum of seventy-five thousand dollars (\$75,000) of the one
12 hundred fifty thousand dollars (\$150,000). Under no condition, shall monies in the Renewal and
13 Replacement Reserve Fund be utilized for operations of the Ballpark or public park. The State,
14 the Team and the Agency shall jointly develop a renewal and replacement capital plan between
15 every two (2) to five (5) years, which plan shall include directives to the parties to make
16 contributions to the Renewal and Replacement Reserve Fund in order to carry out the capital
17 improvements set forth in the renewal and replacement capital plan.

18 **45-33.4-6. Additional agreements of the team, the city and the agency.**

19 (a) The Lease shall be negotiated and executed forthwith upon the passage of this chapter
20 and such Lease shall include, but shall not be limited to, the following terms:

21 (1) The Lease period shall be for a term not fewer than thirty (30) years, which term shall
22 commence upon the completion of the construction of the Ballpark shall establish the obligations
23 and commitments of the Team and the Minor League Baseball Association and shall not be
24 subject to any escape clause; and

25 (2) The Team shall be responsible for the daily maintenance of the Ballpark, including,
26 but not limited to, keeping the facility in good condition and repair, maintaining the office areas,
27 furnishings, fixtures, and equipment, and maintaining the general cleanliness of the Ballpark, and
28 shall be responsible for the financial costs associated with such maintenance.

29 (b) The General Assembly encourages the City to provide planning and operational
30 assistance with respect to the "public park" aspect of the Ballpark, which will operate year-round
31 in and around the Ballpark separate and apart from the Ballpark's baseball-related uses.

32 (c) The Team shall be solely responsible for any Ballpark construction costs that exceed
33 the projected eighty-three million dollar (\$83,000,000) total project cost.

34 (d) In the event that the total Ballpark construction costs and Land Costs are less than the

1 projected eighty-three million dollars (\$83,000,000) or in the event that not all of the bond
2 proceeds are needed to complete the specified project, any unused bond proceeds shall be used to
3 pay the debt service on the Bonds as provided in the bond indenture, trust agreement or Economic
4 Activity Taxes Agreement. No Land Costs or Ballpark construction costs savings will be credited
5 toward the Team's twelve million dollar (\$12,000,000) equity contribution.

6 (e) Members of the Team ownership shall develop independently, or with partners, secure
7 the development of a minimum of fifty thousand square feet (50,000 ft²) of real estate on the
8 Ballpark site or in the ancillary redevelopment area, subject to the City or Agency's acquisition
9 and delivery of developable land, and which development shall align contemporaneously with the
10 construction of the Ballpark;

11 (f) Advance Ticket prices for children, senior citizens, and general admission will not
12 increase from the cost of those Tickets in the 2017 regular and post-season for a minimum period
13 of five (5) years from the opening of the Ballpark, or before September 30, 2025, whichever is
14 earlier.

15 (g) Any person working at the Ballpark during the planning, construction, or operational
16 phases, including, but not limited to, concessions, the box office, or custodial services, shall be
17 employed with the protections of both federal and state labor standards, including fair pay, health
18 and safety, anti-discrimination, and provisions that prevent labor misclassification by incorrectly
19 designating workers as "independent contractors".

20 (h) The contract for construction of the Ballpark shall be a guaranteed maximum price
21 contract.

22 (i) The General Assembly, encourages:

23 (1) the use of green and sustainable building materials, techniques and standards,
24 including those enacted by the General Assembly in the Rhode Island Green Buildings Act,
25 chapter 24 of title 37 of the general laws; and

26 (2) The use of highly efficient energy systems, the use of water conservation measures,
27 and the potential use of on-site renewable energy generation in the development and construction
28 of the Ballpark.

29 (j) In furtherance of building an energy efficient and sustainable Ballpark, the General
30 Assembly encourages the use of financing programs available through Rhode Island
31 Infrastructure Bank established pursuant to chapter 12.2 of title 46 of the general laws, including,
32 to the extent practicable, the state revolving funds and the efficient buildings fund, which provide
33 low-cost financing for eligible renewable and energy efficiency, stormwater abatement, water
34 conservation, and other sustainable infrastructure projects.

1 **45-33.4-7. Severability.**

2 If any provision of this chapter or the application thereof to any person or circumstances
3 is held invalid, such invalidity shall not affect other provisions or applications of this chapter,
4 which can be given effect without the invalid provision or application, and to this end the
5 provisions of this Act are declared to be severable.

6 SECTION 2. Section 45-31-8 of the General Laws in Chapter 45-31 entitled
7 "Redevelopment Agencies" is hereby amended to read as follows:

8 **45-31-8. Definitions.**

9 The following definitions and general provisions govern the construction of chapters 31 -
10 - 33 of this title:

11 (1) "Agency" means a redevelopment agency created by this chapter.

12 (2) "Arrested blighted area" means any area which, by reason of the existence of physical
13 conditions including, but not by way of limitation, the existence of unsuitable soil conditions, the
14 existence of dumping or other unsanitary or unsafe conditions, the existence of ledge or rock, the
15 necessity of unduly expensive excavation, fill or grading, or the necessity of undertaking unduly
16 expensive measures for the drainage of the area or for the prevention of flooding or for making
17 the area appropriate for sound development, or by reason of obsolete, inappropriate, or otherwise
18 faulty platting or subdivision, deterioration of site improvements, inadequacy of utilities, diversity
19 of ownership of plots, or tax delinquencies, or by reason of any combination of any of the
20 foregoing conditions, is unduly costly to develop soundly through the ordinary operations of
21 private enterprise and impairs the sound growth of the community. An arrested blighted area need
22 not be restricted to, or consist entirely of, lands, buildings, or improvements which of themselves
23 fall within this definition, but may consist of an area in which these conditions exist and
24 injuriously affect the entire area.

25 (3) "Blighted and substandard area" includes a "slum blighted area", a "deteriorated
26 blighted area", or an "arrested blighted area", or any combination of these areas. "Blighted and
27 substandard area" shall also include those areas where ~~the presence of~~ hazardous materials, as
28 defined in § 23-19.14-2, ~~impairs the use, reuse, or redevelopment of impacted sites~~ are present,
29 regardless of whether or not the entire area contains such hazardous materials.

30 (4) "Bonds of agency" means any bonds, notes, interim certificates, debentures, or other
31 obligations issued by an agency pursuant to §§ 45-33-5 -- 45-33-15.

32 (5) "Community" means a city or town.

33 (6) "Deteriorated blighted area" means any area in which there exist buildings or
34 improvements, either used or intended to be used for living, commercial, industrial, or other

1 purposes, or any combination of these uses, which by reason of:

2 (i) Dilapidation, deterioration, age, or obsolescence;

3 (ii) Inadequate provision for ventilation, light, sanitation, open spaces, and recreation
4 facilities;

5 (iii) High density of population and overcrowding,

6 (iv) Defective design or unsanitary or unsafe character or conditions of physical
7 construction;

8 (v) Defective or inadequate street and lot layout; and

9 (vi) Mixed character, shifting, or deterioration of uses to which they are put, or any
10 combination of these factors and characteristics, are conducive to the further deterioration and
11 decline of the area to the point where it may become a slum blighted area as defined in
12 subdivision (18), and are detrimental to the public health, safety, morals, and welfare of the
13 inhabitants of the community and of the state generally. A deteriorated blighted area need not be
14 restricted to, or consist entirely of, lands, buildings, or improvements which of themselves are
15 detrimental or inimical to the public health, safety, morals, or welfare, but may consist of an area
16 in which these conditions exist and injuriously affect the entire area.

17 (7) "Federal government" means the United States of America or any agency or
18 instrumentality, corporate or otherwise, of the United States of America.

19 (8) "Legislative body" means the city council or town council.

20 (9) "Obligee of the agency" or "obligee" include any bondholder, trustee or trustees for
21 any bondholder, or lessor demising to the agency property used in connection with a
22 redevelopment project or any assignee or assignees of that lessor, and the federal government.

23 (10) "Planning commission" or "commission" means a planning commission or other
24 planning agency established under any state law or created by or pursuant to the charter of the
25 community.

26 (11) "Project area" means all or any portion of a redevelopment area. A project area may
27 include lands, buildings, or improvements which of themselves are not detrimental or inimical to
28 the public health, safety, morals, or welfare, or otherwise falls within the definition of a "blighted
29 or substandard area," but whose inclusion is necessary, with or without change in their conditions
30 or ownership, for the effective redevelopment of the area of which they are a part.

31 (12) "Public hearing" means a hearing before a legislative body or before any committee
32 of the legislative body to which the matter to be heard has been referred.

33 (13) "Real property" means lands, including lands underwater and waterfront property,
34 buildings, structures, fixtures, and improvements to the lands, and every estate, interest, privilege,

1 easement, franchise and right, legal or equitable, including rights of way, terms for years and
2 liens, charges or encumbrances by way of judgment, attachment, mortgage, or otherwise, and the
3 indebtedness secured by liens.

4 (14) "Redevelopment" means the elimination and prevention of the spread of blighted
5 and substandard areas. Redevelopment may include the planning, replanning, acquisition,
6 construction, rehabilitation, improvement, furnishing, equipping, clearance, sale, lease, or other
7 disposition, or any combination of these, of land, buildings, or other improvements for residential,
8 recreational, commercial, industrial, institutional, public, or other purposes, including the
9 provision of streets, utilities, recreational areas, and other infrastructure and other open spaces
10 consistent with the needs of sound community growth in accordance with the community's
11 general plan and carrying out plans for a program of voluntary repair and rehabilitation of
12 buildings or other improvements, and may include such other acts within a redevelopment area
13 permitted pursuant to chapters 31 through 33, inclusive, of this title as determined by the
14 legislative body to be consistent with the purposes of chapters 31 through 33, inclusive, of this
15 title.

16 (15) "Redevelopment area" means any area of a community which its legislative body
17 ~~finds is~~ has determined includes a blighted and substandard area whose redevelopment is
18 necessary to effectuate the public purposes declared in this chapter.

19 (16) "Redevelopment plan" means a plan, as it exists from time to time, for a
20 redevelopment project, which:

21 (i) Conforms to the general plan for the community as a whole; and

22 (ii) Is sufficiently complete to indicate land acquisition, demolition and removal of
23 structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out
24 in the project area, zoning and planning changes, if any, land uses, maximum densities, building
25 requirements, and the plan's relationship to definite local objectives, respecting appropriate land
26 uses, improved traffic, public transportation, public utilities, recreational and community
27 facilities, and other public improvements.

28 (17) "Redevelopment project" means any work or undertaking of an agency pursuant to
29 chapters 31 -- 33 of this title.

30 (18) "Slum blighted area" means any area in which there is a predominance of buildings
31 or improvements, either used or intended to be used for living, commercial, industrial, or other
32 purposes, or any combination of these uses, which by reason of: (i) dilapidation, deterioration,
33 age, or obsolescence; (ii) inadequate provision for ventilation, light, sanitation, open spaces, and
34 recreation facilities; (iii) high density of population and overcrowding; (iv) defective design or

1 unsanitary or unsafe character or condition of physical construction; (v) defective or inadequate
2 street and lot layout; and (vi) mixed character or shifting of uses to which they are put, or any
3 combination of these factors and characteristics, are conducive to ill health, transmission of
4 disease, infant mortality, juvenile delinquency, and crime; injuriously affect the entire area and
5 constitute a menace to the public health, safety, morals, and welfare of the inhabitants of the
6 community and of the state generally. A slum blighted area need not be restricted to, or consist
7 entirely of, lands, buildings, or improvements which of themselves are detrimental or inimical to
8 the public health, safety, morals, or welfare, but may consist of an area in which these conditions
9 predominate and injuriously affect the entire area.

10 (19) "State government" means the state of Rhode Island, or any agency or
11 instrumentality of the state, corporate or otherwise.

12 (20) "State public body" means the state, or any city or town or any other subdivision or
13 public body of the state or of any city or town.

14 SECTION 3. Sections 45-32-5 and 45-32-40 of the General Laws in Chapter 45-32
15 entitled "Redevelopment Projects" are hereby amended to read as follows:

16 **45-32-5. Corporate powers of agencies.**

17 (a) Each redevelopment agency constitutes a public body, corporate and politic,
18 exercising public and essential governmental functions, and has all the powers necessary and
19 convenient to carry out and effectuate the purposes and provisions of chapters 31 -- 33 of this
20 title, including the powers enumerated in this section in addition to others granted by these
21 chapters:

22 (1) To sue and be sued; to borrow money; to compromise and settle claims; to have a
23 seal; and to make and execute contracts and other instruments necessary or convenient to the
24 exercise of its powers.

25 (2) To make, and, from time to time, amend and repeal bylaws, rules, and regulations,
26 consistent with chapters 31 -- 33 of this title, to carry into effect the powers and purposes of these
27 chapters.

28 (3) To select and appoint officers, agents, counsel, and employees, permanent and
29 temporary, as it may require, and determine their qualifications, duties, and compensation.

30 (4) Within the redevelopment area or for purposes of redevelopment: to purchase, lease,
31 obtain an option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal
32 property, or any estate or interest in it, together with any improvements on it; to acquire by the
33 exercise of the power of eminent domain any real property or any estate or interest in it, although
34 temporarily not required to achieve the purposes of chapters 31 -- 33 of this title; to clear,

1 demolish, or remove any and all buildings, structures, or other improvements from any real
2 property so acquired; to rehabilitate or otherwise improve any or all substandard buildings,
3 structures, or other improvements; to insure or provide for the insurance of any real or personal
4 property or operations of the agency against risk or hazard; and to rent, maintain, rehabilitate,
5 improve, manage, operate, repair, and clear the property.

6 (5) To develop as a building site or sites any real property owned or acquired by it.

7 (6) To cause streets and highways to be laid out and graded, and pavements or other road
8 surfacing, sidewalks, and curbs, public utilities of every kind, parks, playgrounds, and other
9 recreational areas, off street parking areas and other public improvements to be constructed and
10 installed.

11 (7) To prepare or have prepared all plans necessary for the redevelopment of blighted and
12 substandard areas; with the consent and approval of the community planning commission, to
13 carry on and perform, for and on behalf of the commission, all or any part of the planning
14 activities and functions within the community; to undertake and perform, for the community,
15 industrial, commercial, and family relocation services; to obtain appraisals and title searches; to
16 make investigations, studies, and surveys of physical, economic, and social conditions and trends
17 pertaining to a community; to develop, test, and report methods and techniques and carry out
18 research and other activities for the prevention and the elimination of blighted and substandard
19 conditions and to apply for, accept, and utilize grants of funds from the federal government and
20 other sources for those purposes; and to enter upon any building or property in any
21 redevelopment area in order to make investigations, studies, and surveys, and, in the event entry
22 is denied or resisted, an agency may petition the superior court in and for the county in which the
23 land lies for an order for this purpose. Upon the filing of a petition, due notice of it shall be served
24 on the person denying or resisting entry, and after a hearing on the petition, the court shall enter
25 an order granting or denying the petition.

26 (8) To undertake technical assistance to property owners and other private persons to
27 encourage, implement, and facilitate voluntary improvement of real property.

28 (9) To undertake and carry out code enforcement projects pursuant to the provisions of
29 appropriate federal legislation.

30 (10) To invest any funds held in reserves or sinking funds or any funds not required for
31 immediate disbursement, in property or securities in which savings banks may legally invest
32 funds subject to their control; and to purchase its bonds at a price not more than the principal
33 amount and accrued interest, all bonds so purchased to be cancelled.

34 (11) To lend money, and to sell, lease, exchange, subdivide, transfer, assign, pledge,

1 encumber (by mortgage, deed of trust, or otherwise), or otherwise dispose of any real or personal
2 property or any estate or interest in it acquired under the provisions of chapters 31 -- 33 of this
3 title, to the United States, the state government, any state public body, or any private corporation,
4 firm, or individual at its fair value for uses in accordance with the redevelopment plan,
5 irrespective of the cost of acquiring and preparing the property for redevelopment. In determining
6 the fair value of the property for uses in accordance with the redevelopment plan, the agency shall
7 take into account, and give consideration to, the uses and purposes required by the plan, the
8 restrictions upon, and the obligations assumed by the purchaser or lessee of the property, and the
9 objectives of the redevelopment plan for the prevention of the recurrence of blighted and
10 substandard conditions. Any lease or sale of the property may be made without public bidding
11 provided, that no sale or lease is made until at least ten (10) days after the legislative body of the
12 community has received from the agency a report concerning the proposed sale or lease.

13 (12) To obligate the purchaser or lessee of any real or personal property or any estate or
14 interest in it to:

15 (i) Use the property only for the purpose and in the manner stated in the redevelopment
16 plan;

17 (ii) Begin and complete the construction or rehabilitation of any structure or improvement
18 within a period of time which the agency fixes as reasonable; and

19 (iii) Comply with other conditions that in the opinion of the agency are necessary to
20 prevent the recurrence of blighted and substandard conditions and otherwise to carry out the
21 purposes of chapters 31 -- 33 of this title. The agency, by contractual provisions, may make any
22 of the purchasers' or lessees' obligations, covenants, or conditions running with the land, and may
23 provide that, upon breach thereof, the fee reverts to the agency.

24 (13) To exercise all or any part or combination of the powers granted in this chapter.

25 ~~(b)(14) Nothing contained in this chapter authorizes an agency to~~ To construct any new
26 buildings for residential, recreational, commercial, or industrial, institutional, public or other uses
27 contemplated by the redevelopment plan.

28 (15) To grant or loan any redevelopment project revenues, or other revenues, including
29 the proceeds of any issue of bonds or notes issued pursuant to this chapter to an individual or any
30 nonprofit organization or governmental or quasi-governmental entity or private enterprise, in
31 order to finance the cost of any portion of a redevelopment project authorized pursuant to
32 chapters 31 through 33 of this title, including, without limiting the generality of the foregoing, the
33 cost of acquiring land for, and constructing or rehabilitating, furnishing and equipping residential,
34 commercial, industrial, institutional, public, or recreational facilities, within a redevelopment

1 [area, or to loan bond or note proceeds in order to refinance any such loans.](#)

2 ~~(e)~~(b) Nothing contained in this chapter authorizes an agency to retain for a period in
3 excess of five (5) years from the date of acquisition, or within another additional period of time
4 that the legislative body fixes as reasonable, the fee or any estate or interest in it to any building,
5 structure, or other improvement, not demolished or otherwise removed, which has been acquired
6 by the agency in accordance with the redevelopment plan.

7 **45-32-40. Taxation of real property acquired.**

8 All real property acquired by an agency for redevelopment purposes is subject to taxation
9 in the same manner and at the same rate as other real property in the community unless the real
10 property is located in the city of Providence [or the city of Pawtucket](#) and is exempted by an
11 ordinance enacted by the city council.

12 SECTION 4. Chapter 45-32 of the General Laws entitled "Redevelopment Projects" is
13 hereby amended by adding thereto the following sections:

14 **45-32-24.1. Finding with respect to use of the power of eminent domain with respect**
15 **to recreational redevelopment projects which create and/or preserve jobs within the State.**

16 [\(a\) The General Assembly hereby determines and declares that the financing,](#)
17 [construction, and development of recreational facilities, with planned redevelopment of the](#)
18 [surrounding project area, which will create and/or preserve jobs within the State, are public uses](#)
19 [of statewide concern and are in the interest of, and for benefit of, the citizens of the State, and will](#)
20 [contribute substantially to the social and economic well-being of the citizens of the State and](#)
21 [significantly enhance the economic development and employment opportunities within the State;](#)
22 [and](#)

23 [\(b\) The General Assembly hereby determines and declares that government support in](#)
24 [facilitating the presence of recreational facilities, with planned redevelopment of the surrounding](#)
25 [project area, and the creation and/or preservation of jobs within the State, provides to the State](#)
26 [and its citizens highly-valued intangible benefits that increase and/or improve the quality of life](#)
27 [and civic relationships of their citizens.](#)

28 **45-32-24.2. Power of eminent domain with respect to recreational redevelopment**
29 **projects which create and/or preserve jobs within the State.**

30 [\(a\) With respect to any project in the State which includes the financing, construction,](#)
31 [and development of recreational facilities, with planned redevelopment of the surrounding project](#)
32 [area, which will create and/or preserve jobs within the State, the provisions of this section shall](#)
33 [apply rather than the provisions of §§ 45- 32-26 through 45-32-37.](#)

34 [\(b\) The acquisition of real property for the construction of recreational facilities, with](#)

1 planned redevelopment of the surrounding project area, which will create and/or preserve jobs
2 within the State, is declared to be a public use for economic development purposes.

3 (c) If, for any of the purposes of this chapter, an agency shall find it necessary to acquire
4 any real property, whether for immediate or future use, the agency may find and determine that
5 the property, whether a fee simple absolute or a lesser interest, is required for the acquisition,
6 construction, or operation of a project, and upon that determination, the property shall be deemed
7 to be required for public use until otherwise determined by the agency; and with the exceptions
8 hereinafter specifically noted, the determination shall not be affected by the fact that the property
9 has been taken for, or is then devoted to, a public use; but the public use in the hands or under the
10 control of the agency shall be deemed superior to the public use in the hands of any other person,
11 association, or corporation; provided further, however, that no real property or interest, estate, or
12 right in these belonging to the state shall be acquired without consent of the state; and no real
13 property or interest, estate, or right in these belonging to any municipality shall be acquired
14 without the consent of the municipality; and no real property, or interest or estate in these,
15 belonging to a public utility corporation may be acquired without the approval of the public
16 utility commission or another regulatory body having regulatory power over the agency.

17 (d) As part of an agency's diligence in determining whether it is necessary to acquire
18 certain real property, whether for immediate or future use, the agency may enter said real
19 property and conduct environmental testing upon giving the owner not less than two (2) weeks
20 written notice.

21 (e) The agency may proceed to acquire and is authorized to and may proceed to acquire
22 property, whether a fee simple absolute or a lesser interest, by the exercise of the right of eminent
23 domain in the manner prescribed in this chapter.

24 (f) Nothing contained in this section shall be construed to prohibit the agency from
25 bringing any proceedings to remove a cloud on title or any other proceedings that it may, in its
26 discretion, deem proper and necessary, or from acquiring property by negotiation or purchase.

27 (g) The necessity for the acquisition of property under this chapter shall be conclusively
28 presumed upon the adoption by the agency of a vote determining that the acquisition of the
29 property or any interest in property described in that vote is necessary for the acquisition,
30 construction, or operation of a project. Within six (6) months after its passage, the agency shall
31 cause to be filed in the appropriate land evidence records a copy of its vote together with a
32 statement signed by the chairperson or vice-chairperson of the agency that the property is taken
33 pursuant to this chapter, and also a description of the real property indicating the nature and
34 extent of the estate or interest in the estate taken and a plat of the real property, which copy of the

1 vote and statement of the chairperson or vice-chairperson shall be certified by the secretary of the
2 agency and the description and plat shall be certified by the city or town clerk for the city or town
3 within which the real property lies.

4 (h) Forthwith thereafter the agency shall cause to be filed in the superior court in and for
5 the county within which the real property lies a statement of the sum of money estimated to be
6 just compensation for the property taken, and shall deposit in the superior court to the use of the
7 persons entitled to the money the sum set forth in the statement. The agency shall satisfy the court
8 that the amount deposited with the court is sufficient to satisfy the just claims of all persons
9 having an estate or interest in the real property. Whenever the agency satisfies the court that the
10 claims of all persons interested in the real property taken have been satisfied, the unexpended
11 balance shall be ordered repaid forthwith to the agency.

12 (i) Upon the filing of the copy of the vote, statement, description, and plat in the land
13 evidence records and upon the making of the deposit in accordance with the order of the superior
14 court, title to the real property in fee simple absolute or any lesser estate or interest specified in
15 the resolution shall vest in the agency, and that real property shall be deemed to be condemned
16 and taken for the use of the agency and the right to just compensation for the condemned property
17 shall vest in the persons entitled to compensation, and the agency thereupon may take possession
18 of the real property. No sum paid unto the court shall be charged with clerks' fees of any nature.

19 (j) After the filing of the copy of the vote, statement, description, and plat, notice of the
20 taking of that land or other real property shall be served upon the owners of, or persons having
21 any estate or interest in, the real property by the sheriff or his or her deputies of the county in
22 which the real estate is situated by leaving a true and attested copy of the vote, statement,
23 description, and plat with each of those persons personally, or at the last and usual place of abode
24 in this state with some person living there, and in case any of those persons are absent from this
25 state and have no last and usual place of abode therein occupied by any person, the copy shall be
26 left with the person or persons, if any, in charge of, or having possession of the real property
27 taken of the absent persons, and another copy shall be mailed to the address of the person, if the
28 address is known to the officer serving the notice.

29 (k) After the filing of the vote, description, and plat, the agency shall cause a copy to be
30 published in some newspaper having general circulation in the city or town in which the real
31 property lies at least once a week for three (3) successive weeks.

32 (l) If any party shall agree with the agency upon the price to be paid for the value of the
33 real property so taken and of appurtenant damage to any remainder or for the value of his or her
34 estate, right, or interest therein, the court, upon application of the parties in interest, may order

1 that the sum agreed upon be paid forthwith from the money deposited, as the just compensation to
2 be awarded in the proceedings.

3 (m) Any owner of, or person entitled to any estate or right in, or interested in any part of,
4 the real property taken, who cannot agree with the agency upon the price to be paid for his or her
5 estate, right or interest in the real property taken and the appurtenant damage to the remainder,
6 may, within three (3) months after personal notice of the taking, or if he or she has no personal
7 notice, may within one year from the time the sum of money estimated to be just compensation is
8 deposited in the superior court to the use of the persons entitled to the compensation, apply by
9 petition to the superior court for the county in which the real property is situated, setting forth the
10 taking of his or her land or his or her estate or interest in these and praying for an assessment of
11 damages by the court or by a jury. Upon the filing of the petition, the court shall cause twenty
12 (20) days' notice of the filing of said petition to be given to the agency by serving the chairperson
13 or vice chairperson of the agency with a certified copy of the notice.

14 (n) After the service of notice, the court may proceed to the trial thereof. The trial shall be
15 conducted as other civil actions at law are tried. The trial shall determine all questions of fact
16 relating to the value of the real property, and any estate or interest, and the amount of this value
17 and the appurtenant damage to any remainder and the amount of this damage, and the trial and
18 decision or verdict of the court or jury shall be subject to all rights to except to rulings, to move
19 for new trial, and to appeal, as are provided by law. Upon the entry of judgment in those
20 proceedings, execution shall be issued against the money deposited in court and in default against
21 any other property of the agency. Pre-judgment interest and post-judgment interest,
22 notwithstanding § 9-21-10 of the general laws, shall be computed in accordance with either the
23 methodology set forth in § 37-6-23 or § 9-21-10, whichever produces the lower interest cost.
24 Such interest shall be paid by the agency out of any funds appropriated and available therefor.

25 (o) In case two (2) or more petitioners make claim to the same real property, or to any
26 estate or interest, or to different estate or interests in the same real property, the court shall, upon
27 motion, consolidate their several petitions for trial at the same time, and may frame all necessary
28 issues for the trial.

29 (p) If any real property or any estate or interest, in which any minor or other person not
30 capable in law to act in his or her own behalf is interested, is taken under the provisions of this
31 chapter, the superior court, upon the filing of a petition by or in behalf of the minor or person or
32 by the agency, may appoint a guardian ad litem for the minor or other person. Guardians may,
33 with the advice and consent of the superior court, and upon any terms as the superior court may
34 prescribe, release to the agency all claims for damages for the land of the minor or other person or

1 for any estate or interest. Any lawfully appointed, qualified, and acting guardian or other
2 fiduciary of the estate of any minor or other person, with the approval of the court of probate
3 within this state having jurisdiction to authorize the sale of lands and properties within this state
4 of the minor or other person, may before the filing of any petition, agree with the minor or other
5 person for any taking of his or her real property or of his or her interest or estate, and may, upon
6 receiving the amount, release to the agency all claims for damages for the minor or other person
7 for the taking.

8 (q) In case any owner of or any person having an estate or interest in the real property
9 fails to file his or her petition, superior court for the county in which the real property is situated,
10 in its discretion, may permit the filing of the petition within one year subsequent to the year
11 following the time of the deposit in the superior court of the sum of money estimated to be just
12 compensation for the property taken; provided, the person shall have had no actual knowledge of
13 the taking of the land in season to file the petition; and provided, no other person or persons
14 claiming to own the real property or estate or interest shall have been paid the value; and
15 provided, no judgment has been rendered against the agency for the payment of the value to any
16 other person or persons claiming to own the real estate.

17 (r) If any real property or any estate or interest is unclaimed or held by a person or
18 persons whose whereabouts are unknown, after making inquiry satisfactory to the superior court
19 for the county in which the real property lies, the agency, after the expiration of two (2) years
20 from the first publication of the copy of the vote, statement, description, and plat, may petition the
21 court that the value of the estate or interest of the unknown person or persons be determined.
22 After the notice by publication to any person or persons that the court in its discretion may order,
23 and after a hearing on the petition, the court shall fix the value of the estate or interest and shall
24 order the sum to be deposited in the registry of the court in a special account to accumulate for
25 the benefit of the person or persons, if any, entitled to it. The receipt of the clerk of the superior
26 court shall constitute a discharge of the agency from all liability in connection with the taking.
27 When the person entitled to the money deposited shall have satisfied the superior court of his or
28 her right to receive that money, the court shall cause it to be paid over to him or her, with all
29 accumulations thereon.

30 (s) The superior court shall have power to make any orders with respect to encumbrances,
31 liens, taxes, and other charges on the land, if any, as shall be just and equitable.

32 (t) Whenever, in the opinion of the agency, a substantial saving in the cost of acquiring
33 title can be effected by conveying other real property, title to which is in the agency, to the person
34 or persons from whom the estate or interest in real property is being purchased or taken, or by the

1 construction or improvement by the agency of any work or facility upon the remaining real
2 property of the person or persons from whom the estate or interest in real property is being
3 purchased or taken, the agency shall be and hereby is authorized to convey that other real
4 property to the person or persons from whom the estate or interest in real property is being
5 purchased or taken and to construct or improve any work or facility upon the remaining land of
6 the person or persons.

7 (u) At any time during the pendency of any proceedings for the assessment of damages
8 for property or interests taken or to be taken by eminent domain by the agency, or in any appeal
9 of any order entered in any such proceeding, the agency or any owner may apply to the court for
10 an order directing an owner or the agency, as the case may be, to show cause why further
11 proceedings should not be expedited, and the court may upon that application make an order
12 requiring that the hearings proceed and that any other steps be taken with all possible expedition.

13 (v) In the event that an owner of, or a person entitled to any estate or right in, or
14 interested in any part of, the real property taken (a "Petitioning Party"), files a petition with the
15 court challenging the amount that the agency had estimated to be just compensation for the
16 property taken (the "Estimated Value"), and the final judgment of the court, exclusive of
17 prejudgment interest, is an amount equal to or less than the Estimated Value, the Petitioning Party
18 shall be required to pay the reasonable attorneys' fees and expenses incurred by the agency, and
19 the reasonable expert witness fees and expenses incurred by the agency, in defending the
20 Estimated Value.

21 (w) Chapter 64.12 of title 42 of the general laws shall not apply to property taken by
22 eminent domain pursuant to this § 45-32-24.1.

23 SECTION 5. The provisions of this act are severable, and if any of its provisions are held
24 unconstitutional or invalid for any reason by any court of competent jurisdiction, the decision of
25 the court shall not affect or impair any of the remaining provisions.

26 SECTION 6. This act shall take effect upon passage.

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LC003949/SUB A
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TOWNS AND CITIES -- REDEVELOPMENT AGENCIES AND PROJECTS

1 This act would authorize the construction of a new ballpark in downtown Pawtucket, to
2 be financed by combined contributions from the Pawtucket Red Sox Baseball Club as well as
3 bonds to be issued by the Pawtucket Redevelopment Agency.

4 This act would take effect upon passage.

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LC003949/SUB A
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