

2019 -- H 6153

=====
LC002687
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

—————
A N A C T

RELATING TO TOWNS AND CITIES -- REDEVELOPMENT AGENCIES AND PROJECTS

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

Date Introduced: May 24, 2019

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 45-33.4-2, 45-33.4-3 and 45-33.4-5 of the General Laws in
2 Chapter 45-33.4 entitled "City of Pawtucket Downtown Redevelopment Project" are hereby
3 repealed in their entirety.

4 ~~**45-33.4-2. Findings and legislative determinations.**~~

5 ~~(a) After lengthy study, review of and comment on various proposals, numerous public~~
6 ~~hearings, and substantial due diligence, the general assembly hereby finds that:~~

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

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

13 ~~(3) The downtown area of the city has been economically depressed and has seen very~~
14 ~~limited new infrastructure, development, or investment in decades and the ballpark is anticipated~~
15 ~~to jumpstart new economic initiatives in the city and in the Blackstone Valley and create new jobs~~
16 ~~in the state; and~~

17 ~~(4) The city is developing a redevelopment plan that contemplates public uses of the~~
18 ~~ballpark and a mixed use real estate development in an adjacent area that may include retail,~~
19 ~~entertainment, restaurant, public park, civic space, hotel, office space, and residential components~~

1 as part of a larger redevelopment of downtown Pawtucket; and

2 ~~(5) The ballpark will operate and be utilized as a public park and will create public~~

3 ~~recreational, social, and communal benefits; and~~

4 ~~(6) It is proposed that the agency will own the ballpark and lease the ballpark to the team~~

5 ~~and that the state will not be a party to the lease or any sublease of the ballpark; and~~

6 ~~(7) In order to reduce interest rate costs to finance the ballpark and land costs, the city has~~

7 ~~proposed that the agency will issue the bonds to finance such costs on a tax exempt basis, to the~~

8 ~~extent permitted by federal tax law; and~~

9 ~~(8) Revenues to be generated by the downtown Pawtucket redevelopment project are~~

10 ~~projected by industry experts to be more than sufficient to cover the costs of financing the~~

11 ~~ballpark and land costs; and~~

12 ~~(9) Land costs and ballpark construction costs are expected to be approximately eighty-~~

13 ~~three million dollars (\$83,000,000), excluding financing costs; and~~

14 ~~(10) The PawSox propose to contribute forty five million dollars (\$45,000,000),~~

15 ~~including twelve million dollars (\$12,000,000) in equity contributions from PawSox owners to~~

16 ~~the total project cost, which equity contributions shall be expended toward the construction of the~~

17 ~~ballpark and shall be expended in full no later than the opening of the ballpark, and thirty three~~

18 ~~million dollars (\$33,000,000) to be financed by bonds issued by the agency; and~~

19 ~~(11) The bonds shall, to the extent practicable, be issued by means of a public offering,~~

20 ~~and shall not be sold by means of a private placement unless it is impracticable or economically~~

21 ~~inefficient to issue and sell the bonds in a public offering. If bonds are privately placed, the~~

22 ~~underwriters, placement agent, or purchasers of the bonds, or a municipal financial advisor~~

23 ~~registered with the Securities and Exchange Commission, shall certify that the interest rates,~~

24 ~~prices, and yields of the bonds represent fair market prices of the bonds.~~

25 ~~(12) The team, the agency and the state shall conduct due diligence with the underwriters~~

26 ~~or placement agent for the bonds in accordance with federal securities laws and rules of the~~

27 ~~United States Securities and Exchange Commission and Municipal Securities Rulemaking Board~~

28 ~~to ensure that the contributions and financial responsibilities of the parties are fully and publicly~~

29 ~~disclosed.~~

30 ~~(13) The state proposes to contribute state economic activity taxes realized from activities~~

31 ~~in the ballpark district and at McCoy Stadium to support bonds issued by the agency; and~~

32 ~~(14) The city proposes to contribute city tax increment revenues and city economic~~

33 ~~activity taxes in order to support bonds of the agency; and~~

34 ~~(15) Energy costs for public buildings are skyrocketing and will likely continue to~~

1 ~~increase; energy use by public buildings contributes substantially to the problems of pollution and~~
2 ~~global warming; public buildings can be built and renovated using high performance methods~~
3 ~~that save energy, reduce water consumption, improve indoor air quality, preserve the~~
4 ~~environment, and make workers and students more productive; and~~

5 ~~(16) The use of green and sustainable infrastructure in the development and construction~~
6 ~~of the ballpark will address stormwater runoff and reduce flooding, reduce pollutant levels in~~
7 ~~nearby waterways, and may reduce long term operating costs of the ballpark.~~

8 ~~(b) The general assembly hereby determines and declares that the financing, construction,~~
9 ~~and development of a ballpark in the city to be used primarily as a venue for minor league~~
10 ~~baseball and also as a public park, as well as the redevelopment of the surrounding depressed~~
11 ~~neighborhood, are public uses that are in the interest of, and for benefit of, the citizens of the~~
12 ~~state, and will contribute substantially to the social and economic well being of the citizens of the~~
13 ~~state and significantly enhance the economic development and employment opportunities within~~
14 ~~the city and the state;~~

15 ~~(c) The general assembly hereby determines and declares that government support in~~
16 ~~facilitating the presence of minor league baseball and the development of a public park in the city~~
17 ~~provides to the state and its citizens highly valued intangible benefits that increase the quality of~~
18 ~~life and civic relationships of their citizens; and~~

19 ~~(d) The general assembly hereby determines and declares that the expenditure of public~~
20 ~~money for these purposes is necessary and serves a public purpose.~~

21 **45-33.4-3. Contributions from parties.**

22 ~~Debt service payments on the bonds shall be payable from lease rental payments by the~~
23 ~~PawSox, from annual naming rights payments received by the PawSox, and any such other~~
24 ~~payments necessary to fully cover the team's annual lease obligation, state economic activity~~
25 ~~taxes, city tax increment revenues, and city economic activity taxes, each year for a period of up~~
26 ~~to thirty (30) years or any combination thereof.~~

27 **45-33.4-5. Renewal and replacement reserve fund.**

28 ~~(a) The team, the agency, and the state shall establish and maintain a renewal and~~
29 ~~replacement reserve fund for the long term capital needs of the ballpark to ensure that the~~
30 ~~ballpark remains a first class, Triple A minor league baseball facility and an asset to the agency~~
31 ~~and the surrounding community. The team shall be responsible for a minimum of fifty percent~~
32 ~~(50%) of the costs of annual capital expenditures for structural repairs including, but not limited~~
33 ~~to, repairs and improvements to the roof and exterior walls of the facility, protective coatings,~~
34 ~~ramps, plumbing, and all repairs, replacements, and improvements, whether capital or ordinary,~~

1 ~~needed to preserve the ballpark. The team, the city, and the state, from legally available funds,~~
2 ~~shall contribute a combined minimum of one hundred fifty thousand dollars (\$150,000) per year~~
3 ~~in total to the renewal and replacement reserve fund for use to finance capital expenditures. The~~
4 ~~team shall contribute a minimum of seventy five thousand dollars (\$75,000) of the one hundred~~
5 ~~fifty thousand dollars (\$150,000). Under no condition shall monies in the renewal and~~
6 ~~replacement reserve fund be utilized for operations of the ballpark or public park. The state, the~~
7 ~~team, and the agency shall jointly develop a renewal and replacement capital plan between every~~
8 ~~two (2) to five (5) years, which plan shall include directives to the parties to make contributions~~
9 ~~to the renewal and replacement reserve fund in order to carry out the capital improvements set~~
10 ~~forth in the renewal and replacement capital plan.~~

11 SECTION 2. Sections 45-33.4-1, 45-33.4-4 and 45-33.4-6 of the General Laws in
12 Chapter 45-33.4 entitled "City of Pawtucket Downtown Redevelopment Project" are hereby
13 amended to read as follows:

14 **45-33.4-1. Definitions.**

15 For purposes of this chapter, the following terms shall have the meanings ascribed to
16 them herein:

17 (1) "Agency" means the Pawtucket redevelopment agency, established in accordance
18 with chapter 31 of this title.

19 ~~(2) "Ballpark" shall mean a new ballpark, currently known as the Ballpark at Slater Mill,~~
20 ~~and related facilities and parking in the city.~~

21 (2) "Arts district" means the economic development zone designated as the arts and
22 entertainment district in the downtown area of the city described in § 44-30-1.1.

23 (3) "Ballpark district" means the ballpark district ~~of the downtown Pawtucket~~
24 ~~redevelopment project area, including the ballpark and its immediately adjacent parcels within the~~
25 ~~redevelopment area approved by the agency~~ described in a redevelopment plan or in a tax
26 increment master plan approved by the agency in accordance with the procedures set forth in
27 chapters 31, 32, ~~and 33~~ and 33.2 of this title.

28 (4) "Bonds" means revenue bonds issued by the Pawtucket redevelopment agency or the
29 city in accordance with the provisions of chapters 31, 32, ~~and 33~~ and 33.2 of this title in order to
30 finance ~~the ballpark and land costs~~ a project, which bonds may be issued on a tax-exempt or
31 taxable basis, on a fixed-rate basis or variable-rate basis, or any combination thereof, and may be
32 issued in one or more sub-series and supported with letters or lines of credit, liquidity facilities,
33 insurance or other support arrangements including, but not limited to, interest rate "caps",
34 "floors", "collars", that the agency or city, as issuer, determines to be necessary or desirable for

1 the purpose of generating savings or managing interest rates in connection with, or subsequent to,
2 or incidental to the issuance, carrying, or securing of the bonds.

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

4 (6) "City economic activity taxes" means city tangible asset taxes, food and beverage tax
5 revenues, and non-real property assessments tax revenues from activities ~~at McCoy Stadium in~~
6 ~~the arts district, the growth center district and the ballpark district~~, plus incremental ~~tangible asset~~
7 ~~taxes~~, hotel taxes, food and beverage tax revenues, ~~and non-real property assessments~~ to be
8 generated in and around the ~~arts district, the growth center district and the ballpark district~~
9 ~~downtown Pawtucket redevelopment area~~ as set forth in the economic activity taxes agreement
10 negotiated by the governor and the state director of the department of revenue, as described in §
11 45-33.4-4, ~~in addition to premium ticket surcharges~~.

12 (7) "City tax increment revenues" means revenues generated under chapter 33.2 of this
13 title that are expected to include incremental real estate property taxes, ~~personal property taxes~~,
14 special assessments on real property, and betterment fees generated in and around the ~~downtown~~
15 ~~Pawtucket redevelopment area~~ ~~arts district, the growth center district and the ballpark district~~.

16 ~~(8) "Downtown Pawtucket redevelopment area" means the redevelopment area approved~~
17 ~~by the agency in accordance with the procedures set forth in chapters 31, 32, and 33 of this title.~~

18 ~~(9) "Downtown Pawtucket redevelopment plan" means the redevelopment plan proposed~~
19 ~~to be approved by the agency pursuant to chapters 31, 32, and 33 of this title that contemplates~~
20 ~~public uses of the ballpark and a mixed use real estate development in an adjacent area that may~~
21 ~~include retail, entertainment, restaurant, public park, civic space, hotel, office space, and~~
22 ~~residential components as part of a larger redevelopment of downtown Pawtucket.~~

23 ~~(10) "Downtown Pawtucket redevelopment project" means the project proposed to be~~
24 ~~approved by the agency in accordance with chapters 31, 32, and 33 of this title, that contemplates~~
25 ~~public uses of the ballpark and a mixed use real estate development in an adjacent area that may~~
26 ~~include retail, entertainment, restaurant, public park, civic space, hotel, office space, and~~
27 ~~residential components as part of a larger redevelopment of downtown Pawtucket.~~

28 ~~(11)~~(8) "Economic activity taxes agreement" means the agreement by and among the
29 agency, the city and the state described in § 45-33.4-4.

30 ~~(12) "Land costs" means the cost of land acquisition for the ballpark and related~~
31 ~~infrastructure which shall include all related expenses of acquisition by purchase or through~~
32 ~~eminent domain.~~

33 ~~(13) "Lease" means the lease agreement to be entered into by the agency, as lessor, and~~
34 ~~the team, as lessee, providing for the lease of, and payment of rentals for, the ballpark and related~~

1 ~~facilities.~~

2 ~~(14) "McCoy Stadium" means the existing minor league baseball stadium by that name~~
3 ~~located in the city.~~

4 ~~(15) "PawSox" or "team" shall mean the Pawtucket Red Sox Baseball Club, LLC, its~~
5 ~~affiliates, successors, or assigns.~~

6 ~~(16) "Renewal and replacement reserve fund" means the fund established pursuant to §~~
7 ~~45-33.4-5 to ensure funding of maintenance, renewal, and replacement of the ballpark and related~~
8 ~~facilities.~~

9 (9) "Growth center district" means the growth center district described in a
10 redevelopment plan or in a tax increment district master plan approved by the agency in
11 accordance with the procedures set forth in chapters 31, 32, 33 and 33.2 of title 45, which shall
12 have boundaries as follows: The area beginning at the point of intersection of Lonsdale Avenue
13 and the Central Falls/Pawtucket line, continuing south on Lonsdale Avenue until Beecher Street,
14 then heading east, then south, then east on Beecher Street to Coleman Street, then turning south
15 onto Coleman Street to Carpenter Street, then heading east onto Carpenter Street to Conant Street,
16 then turning south onto Conant Street, continuing to Main Street, then turning northeast onto
17 Main Street to Church Street, then turning east onto Church Street to Pine Street, then turning
18 south onto Pine Street to South Union Street, then turning east onto South Union Street to Park
19 Place West, then turning south onto Park Place West to George St, continuing south onto George
20 Street to Division Street, then turning east onto Division Street to Taft Street, then turning south
21 onto Taft Street to Max Read Field, turning east at Max Read Field and crossing the Seekonk
22 River, then turning south along Seekonk River boundary to the intersection of Berry Spring Street
23 and School Street, continuing northerly onto School Street to Bowers Street, turning east onto
24 Bowers Street to Prospect Street, then turning north onto Prospect Street to Interstate 95, turning
25 northeast onto Interstate 95 to Walcott Street, turning west onto Walcott Street to Broadway,
26 turning northerly onto Broadway to edge of Interstate 95, continuing north along the western edge
27 of Interstate 95 to Pawtucket/Attleboro city line, then turning west at the city line to the
28 Blackstone River, then south along the city boundary on the Blackstone River, continuing
29 westerly along the city line to the point where the city line intersects with Lonsdale Avenue.

30 (10) "Project" means any project as defined in § 45-33.2-3 or any capital project as
31 defined in § 45-33.2-3.1 within the arts district or growth center district and shall include "project
32 costs" as described in § 45-33.2-28, which definition shall apply irrespective of whether the
33 project is described in a redevelopment plan or in a tax increment district master plan.

34 (11) "Redevelopment plan" means a redevelopment plan as defined in § 45-31-8.

1 (12) "Tax increment district master plan" means a tax increment district master plan as
2 defined in § 45-33.2-3.1.

3 ~~(17)(13) "State" means the state of Rhode Island and Providence Plantations.~~

4 ~~(18) "State economic activity taxes" shall mean existing tax revenues realized from~~
5 ~~activities at McCoy Stadium and tax revenue in the ballpark district of the downtown Pawtucket~~
6 ~~redevelopment area assessed and collected under chapters 18, 19, and 30 of title 44.~~

7 (14) "State economic activity taxes" means existing tax revenues and incremental tax
8 revenues realized in the arts district, the growth center district and the ballpark district assessed
9 and collected under chapters 11, 13, 14, 17, 18, 19, and 30 of title 44 as set forth in the economic
10 activity taxes agreement negotiated by the governor and the state director of the department of
11 revenue.

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

14 **45-33.4-4. Authorization of economic activity taxes agreement.**

15 (a) The state, acting by and through the department of revenue, is authorized to enter into
16 an economic activity taxes agreement with the agency and the city with a term coterminous with
17 the bonds for the purposes of financing ~~a portion of the ballpark and land costs and costs~~ projects
18 associated with the bonds, including capitalized interest, debt service reserves, and costs of
19 issuance. ~~The~~ Such economic activity taxes agreement may include such covenants and
20 undertakings of the state as the state director of the department of revenue and the governor deem
21 reasonable, including, without limitation, provisions enabling the payment of amounts under the
22 economic activity taxes agreement from legally available funds for each fiscal year during which
23 any bonds are outstanding. ~~The division of taxation may issue rules and regulations with respect~~
24 ~~to this section.~~

25 (b) ~~The~~ Such economic activity taxes agreement and the pledge and assignment of the
26 state economic activity taxes shall be subject to the provisions of this chapter rather than the
27 provisions of chapter 64.21 of title 42. Beginning no ~~earlier~~ later than July 1, 2019, ~~the state~~ such
28 incremental economic activity taxes shall be segregated by the state division of taxation from all
29 other tax revenues of the state and deposited on a monthly basis into a restricted account known
30 as the "downtown Pawtucket redevelopment economic activity taxes fund". Monies deposited in
31 the downtown Pawtucket redevelopment economic activity taxes fund may be applied to payment
32 of debt service on the bonds; to fund debt service reserves; ~~to the state's contributions to the~~
33 ~~renewal and replacement reserve fund;~~ to costs of infrastructure improvements in and around the
34 ~~area of the downtown Pawtucket redevelopment project~~ arts district and the growth center

1 district; to fund future debt service on the bonds; and to fund a redevelopment revolving fund
2 established in accordance with § 45-33-1. If ~~monies~~ incremental economic activity taxes remain
3 in ~~the~~ such downtown Pawtucket redevelopment economic activity taxes fund at the end of the
4 state's fiscal year, the monies shall be retained in the fund to be applied in future fiscal years and
5 shall not be applied to reduce future payments but may be applied to "super sinker", "turbo" or
6 other redemption of the bonds, such that if the agency receives revenues in excess of
7 requirements in the bond indenture or trust agreement securing the bonds, ~~it may retire~~ the bonds
8 may be retired. Nothing in this chapter shall prohibit the pooling of revenues for the payment of
9 the bonds, provided that the economic activity taxes agreement, bond indenture, or trust
10 agreement shall provide for a reconciliation of contributions of ~~the team~~, the agency, the city and
11 the state from time to time, ~~but no less than every three (3) years. The reconciliation shall be~~
12 ~~subject to review by the state auditor general. The review shall be provided to the governor,~~
13 ~~speaker of the house, and the president of the senate.~~

14 (c) The economic activity taxes agreement shall not constitute indebtedness of the state or
15 any of its subdivisions, or a debt for which the full faith and credit of the ~~state~~ incremental or any
16 of its subdivisions is pledged. The state's obligation to make payments of state economic activity
17 taxes under the state economic activity taxes agreement shall be solely from legally available
18 funds.

19 ~~**45-33.4-6. Additional agreements of the team, the city and the agency. Green**~~
20 ~~**construction and cost saving measures.**~~

21 ~~(a) The lease shall be negotiated and executed forthwith upon the passage of this chapter~~
22 ~~and the lease shall include, but shall not be limited to, the following terms:~~

23 ~~(1) The lease period shall be for a term not fewer than thirty (30) years, which term shall~~
24 ~~commence upon the completion of the construction of the ballpark, shall establish the obligations~~
25 ~~and commitments of the team and the Minor League Baseball Association, and shall not be~~
26 ~~subject to any escape clause; and~~

27 ~~(2) The team shall be responsible for the daily maintenance of the ballpark, including, but~~
28 ~~not limited to, keeping the facility in good condition and repair, maintaining the office areas,~~
29 ~~furnishings, fixtures, and equipment, and maintaining the general cleanliness of the ballpark, and~~
30 ~~shall be responsible for the financial costs associated with this maintenance.~~

31 ~~(b) The general assembly encourages the city to provide planning and operational~~
32 ~~assistance with respect to the "public park" aspect of the ballpark, which will operate year-round~~
33 ~~in and around the ballpark separate and apart from the ballpark's baseball-related uses.~~

34 ~~(c) The team shall be solely responsible for any ballpark construction costs that exceed~~

1 ~~the projected eighty three million dollar (\$83,000,000) total project cost.~~

2 ~~(d) In the event that the total ballpark construction costs and land costs are less than the~~
3 ~~projected eighty three million dollars (\$83,000,000), or in the event that not all of the bond~~
4 ~~proceeds are needed to complete the specified project, any unused bond proceeds shall be used to~~
5 ~~pay the debt service on the bonds as provided in the bond indenture, trust agreement, or economic~~
6 ~~activity taxes agreement. No land costs or ballpark construction costs savings will be credited~~
7 ~~toward the team's twelve million dollar (\$12,000,000) equity contribution.~~

8 ~~(e) Members of the team ownership shall develop independently, or with partners secure~~
9 ~~the development of, a minimum of fifty thousand square feet (50,000 ft²) of real estate on the~~
10 ~~ballpark site or in the ancillary redevelopment area, subject to the city or agency's acquisition and~~
11 ~~delivery of developable land, and the development shall align contemporaneously with the~~
12 ~~construction of the ballpark.~~

13 ~~(f) Advance ticket prices for children, senior citizens, and general admission will not~~
14 ~~increase from the cost of those tickets in the 2017 regular and postseason for a minimum period~~
15 ~~of five (5) years from the opening of the ballpark, or before September 30, 2025, whichever is~~
16 ~~earlier.~~

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

22 ~~(h) The contract for construction of the ballpark shall be a guaranteed maximum price~~
23 ~~contract.~~

24 ~~(i)~~(a) The general assembly encourages:

25 (1) The use of green and sustainable building materials, techniques, and standards,
26 including those enacted by the general assembly in the Rhode Island green buildings act, chapter
27 24 of title 37; and

28 (2) The use of highly efficient energy systems, the use of water conservation measures,
29 and the potential use of on-site renewable energy generation in the development and construction
30 of the [ballpark project](#).

31 ~~(j)~~(b) In furtherance of building ~~an~~ energy efficient and sustainable [ballpark, projects](#), the
32 general assembly encourages the use of financing programs available through the Rhode Island
33 infrastructure bank established pursuant to chapter 12.2 of title 46, including, to the extent
34 practicable, the state revolving funds and the efficient buildings fund, which provide low-cost

1 financing for eligible renewable and energy efficiency, stormwater abatement, water
2 conservation, and other sustainable infrastructure projects.

3 SECTION 3. Sections 45-32-5, 45-32-24.1 and 45-32-24.2 of the General Laws in
4 Chapter 45-32 entitled "Redevelopment Projects" are hereby amended to read as follows:

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

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

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

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

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

19 (4) Within the redevelopment area or for purposes of redevelopment: to purchase, lease,
20 obtain an option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal
21 property, or any estate or interest in it, together with any improvements on it; to acquire by the
22 exercise of the power of eminent domain any real property or any estate or interest in it, although
23 temporarily not required to achieve the purposes of chapters 31 -- 33 of this title; to clear,
24 demolish, or remove any and all buildings, structures, or other improvements from any real
25 property so acquired; to rehabilitate or otherwise improve any or all substandard buildings,
26 structures, or other improvements; to insure or provide for the insurance of any real or personal
27 property or operations of the agency against risk or hazard; and to rent, maintain, rehabilitate,
28 improve, manage, operate, repair, and clear the property.

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

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

34 (7) To prepare or have prepared all plans necessary for the redevelopment of blighted and

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

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

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

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

23 (11) To lend money, and to sell, lease, exchange, subdivide, transfer, assign, pledge,
24 encumber (by mortgage, deed of trust, or otherwise), or otherwise dispose of any real or personal
25 property or any estate or interest in it acquired under the provisions of chapters 31 -- 33 of this
26 title, to the United States, the state government, any state public body, or any private corporation,
27 firm, or individual at its fair value for uses in accordance with the redevelopment plan,
28 irrespective of the cost of acquiring and preparing the property for redevelopment. In determining
29 the fair value of the property for uses in accordance with the redevelopment plan, the agency shall
30 take into account, and give consideration to, the uses and purposes required by the plan, the
31 restrictions upon, and the obligations assumed by the purchaser or lessee of the property, and the
32 objectives of the redevelopment plan for the prevention of the recurrence of blighted and
33 substandard conditions. Any lease or sale of the property may be made without public bidding,
34 provided that no sale or lease is made until at least ten (10) days after the legislative body of the

1 community has received from the agency a report concerning the proposed sale or lease.

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

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

6 (ii) Begin and complete the construction or rehabilitation of any structure or improvement
7 within a period of time that the agency fixes as reasonable; and

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

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

14 (14) To construct new buildings for residential, recreational, commercial, industrial,
15 institutional, public, or other uses contemplated by the redevelopment plan.

16 (15) To grant or loan any redevelopment project revenues, or other revenues, including
17 the proceeds of any issue of bonds or notes issued pursuant to this chapter to an individual or any
18 nonprofit organization or governmental or quasi-governmental entity or private enterprise, in
19 order to finance the cost of any portion of a redevelopment project authorized pursuant to
20 chapters 31 through 33 of this title, including, without limiting the generality of the foregoing, the
21 cost of acquiring land for, and constructing or rehabilitating, furnishing and equipping residential,
22 commercial, industrial, institutional, public, or recreational facilities, within a redevelopment
23 area, or to loan bond or note proceeds in order to refinance any such loans.

24 (16) To retain a master developer for all or any portion of a project. Any master
25 developer position shall be subject to advertising and solicitation of applicants shall be approved
26 at a duly posted public meeting of the agency.

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

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

1 **redevelopment projects that create and/or preserve jobs within the state and projects**
2 **financed with incremental tax revenues.**

3 (a) The general assembly hereby determines and declares that the financing, construction,
4 and development of recreational facilities, with planned redevelopment of the surrounding project
5 area, that will create and/or preserve jobs within the state [and projects financed with incremental](#)
6 [tax revenues pursuant to chapters 31, 32, 33, 33.2, and 33.4 of title 45](#), are public uses of
7 statewide concern and are in the interest of, and for benefit of, the citizens of the state, and will
8 contribute substantially to the social and economic well-being of the citizens of the state and
9 significantly enhance the economic development and employment opportunities within the state;
10 and

11 (b) The general assembly hereby determines and declares that government support in
12 facilitating the presence of recreational facilities, with planned redevelopment of the surrounding
13 project area, and the creation and/or preservation of jobs within the state [and projects financed](#)
14 [with incremental tax revenues pursuant to chapters 31, 32, 33, 33.2, and 33.4 of title 45](#), provides
15 to the state and its citizens highly valued intangible benefits that increase and/or improve the
16 quality of life and civic relationships of their citizens.

17 **~~45-32-24.2. Power of eminent domain with respect to recreational redevelopment~~**
18 **~~projects that create and/or preserve jobs within the State. Power of eminent domain with~~**
19 **~~respect to recreational redevelopment projects that create and/or preserve jobs within the~~**
20 **~~state and projects financed with incremental tax revenues.~~**

21 (a) With respect to any project in the state that includes the financing, construction, and
22 development of recreational facilities, with planned redevelopment of the surrounding project
23 area, that will create and/or preserve jobs within the state [and projects financed with incremental](#)
24 [tax revenues pursuant to chapters 31, 32, 33, 33.2, and 33.4 of title 45](#), the provisions of this
25 section shall apply rather than the provisions of §§ 45-32-26 through 45-32-37.

26 (b) The acquisition of real property for the construction of recreational facilities, with
27 planned redevelopment of the surrounding project area, that will create and/or preserve jobs
28 within the state [and projects financed with incremental tax revenues pursuant to chapters 31, 32,](#)
29 [33, 33.2, and 33.4 of title 45](#), is declared to be a public use for economic development purposes.

30 (c) If, for any of the purposes of this chapter, an agency shall find it necessary to acquire
31 any real property, whether for immediate or future use, the agency may find and determine that
32 the property, whether a fee simple absolute or a lesser interest, is required for the acquisition,
33 construction, or operation of a project, and upon that determination, the property shall be deemed
34 to be required for public use until otherwise determined by the agency; and with the exceptions

1 hereinafter specifically noted, the determination shall not be affected by the fact that the property
2 has been taken for, or is then devoted to, a public use; but the public use in the hands or under the
3 control of the agency shall be deemed superior to the public use in the hands of any other person,
4 association, or corporation; provided further, however, that no real property or interest, estate, or
5 right in these belonging to the state shall be acquired without consent of the state; and no real
6 property or interest, estate, or right in these belonging to any municipality shall be acquired
7 without the consent of the municipality; and no real property, or interest or estate in these,
8 belonging to a public utility corporation may be acquired without the approval of the public
9 utility commission or another regulatory body having regulatory power over the agency.

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

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

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

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

31 (h) Forthwith thereafter the agency shall cause to be filed, in the superior court in and for
32 the county within which the real property lies, a statement of the sum of money estimated to be
33 just compensation for the property taken, and shall deposit in the superior court to the use of the
34 persons entitled to the money the sum set forth in the statement. The agency shall satisfy the court

1 that the amount deposited with the court is sufficient to satisfy the just claims of all persons
2 having an estate or interest in the real property. Whenever the agency satisfies the court that the
3 claims of all persons interested in the real property taken have been satisfied, the unexpended
4 balance shall be ordered repaid forthwith to the agency.

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

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

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

25 (l) If any party shall agree with the agency upon the price to be paid for the value of the
26 real property so taken and of appurtenant damage to any remainder or for the value of his or her
27 estate, right, or interest therein, the court, upon application of the parties in interest, may order
28 that the sum agreed upon be paid forthwith from the money deposited, as the just compensation to
29 be awarded in the proceedings.

30 (m) Any owner of, or person entitled to any estate or right in, or interested in any part of,
31 the real property taken, who cannot agree with the agency upon the price to be paid for his or her
32 estate, right, or interest in the real property taken and the appurtenant damage to the remainder,
33 may, within three (3) months after personal notice of the taking, or if he or she has no personal
34 notice, may, within one year from the time the sum of money estimated to be just compensation is

1 deposited in the superior court to the use of the persons entitled to the compensation, apply by
2 petition to the superior court for the county in which the real property is situated, setting forth the
3 taking of his or her land or his or her estate or interest in these and praying for an assessment of
4 damages by the court or by a jury. Upon the filing of the petition, the court shall cause twenty
5 (20) days' notice of the filing of the petition to be given to the agency by serving the chairperson
6 or vice chairperson of the agency with a certified copy of the notice.

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

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

22 (p) If any real property or any estate or interest, in which any minor or other person not
23 capable in law to act in his or her own behalf is interested, is taken under the provisions of this
24 chapter, the superior court, upon the filing of a petition by or in behalf of the minor or person or
25 by the agency, may appoint a guardian ad litem for the minor or other person. Guardians may,
26 with the advice and consent of the superior court, and upon any terms as the superior court may
27 prescribe, release to the agency all claims for damages for the land of the minor or other person or
28 for any estate or interest. Any lawfully appointed, qualified, and acting guardian or other
29 fiduciary of the estate of any minor or other person, with the approval of the court of probate
30 within this state having jurisdiction to authorize the sale of lands and properties within this state
31 of the minor or other person, may before the filing of any petition, agree with the minor or other
32 person for any taking of his or her real property or of his or her interest or estate, and may, upon
33 receiving the amount, release to the agency all claims for damages for the minor or other person
34 for the taking.

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

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

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

25 (t) Whenever, in the opinion of the agency, a substantial saving in the cost of acquiring
26 title can be effected by conveying other real property, title to which is in the agency, to the person
27 or persons from whom the estate or interest in real property is being purchased or taken, or by the
28 construction or improvement by the agency of any work or facility upon the remaining real
29 property of the person or persons from whom the estate or interest in real property is being
30 purchased or taken, the agency shall be and hereby is authorized to convey that other real
31 property to the person or persons from whom the estate or interest in real property is being
32 purchased or taken and to construct or improve any work or facility upon the remaining land of
33 the person or persons.

34 (u) At any time during the pendency of any proceedings for the assessment of damages

1 for property or interests taken or to be taken by eminent domain by the agency, or in any appeal
2 of any order entered in any such proceeding, the agency or any owner may apply to the court for
3 an order directing an owner or the agency, as the case may be, to show cause why further
4 proceedings should not be expedited, and the court may upon that application make an order
5 requiring that the hearings proceed and that any other steps be taken with all possible expedition.

6 (v) In the event that an owner of, or a person entitled to any estate or right in, or
7 interested in any part of, the real property taken (a "petitioning party") files a petition with the
8 court challenging the amount that the agency had estimated to be just compensation for the
9 property taken (the "estimated value"), and the final judgment of the court, exclusive of
10 prejudgment interest, is an amount equal to or less than the estimated value, the petitioning party
11 shall be required to pay the reasonable attorneys' fees and expenses incurred by the agency, and
12 the reasonable expert witness fees and expenses incurred by the agency, in defending the
13 estimated value.

14 (w) Chapter 64.12 of title 42 shall not apply to property taken by eminent domain
15 pursuant to § 45-32-24.1 [and § 45-32-24.2](#).

16 SECTION 4. This act shall take effect upon passage.

=====
LC002687
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TOWNS AND CITIES -- REDEVELOPMENT AGENCIES AND PROJECTS

1 The act would authorize state and local incremental tax revenues generated in the arts
2 district, the growth center district and the ballpark district in the city of Pawtucket to be allocated
3 to finance improvements in the districts.

4 This act would take effect upon passage.

=====
LC002687
=====