

2025 -- H 5306

LC000967

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICT COMMISSION -- CAPITAL
CENTER COMMISSION

Introduced By: Representatives DeSimone, Biah, Diaz, Slater, and Hull

Date Introduced: February 05, 2025

Referred To: House Municipal Government & Housing

(City of Providence)

It is enacted by the General Assembly as follows:

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3 19 of the Public Laws of 1994, is hereby repealed:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICT COMMISSION -- CAPITAL
CENTER COMMISSION

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

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

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