

**RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING**

COMMERCE CORPORATION

Title of Rule: Rules and Regulations for the City of Pawtucket Downtown Redevelopment Project Act.

Rule Identifier: 870-RICR-30-00-9

Rulemaking Action: Proposed Adoption

Important Dates:

Date of Public Notice: 10/16/2020

Hearing Date: 10/26/2020

End of Public Comment: 11/16/2020

Authority for this Rulemaking:

R.I. Gen. Laws § 45-33.4-1(13)

Summary of Rulemaking Action:

As part of the budget act passed in 2019, the General Assembly amended Chapter 33.4 of Title 45 of the Rhode Island General Laws known as the City of Pawtucket Downtown Redevelopment Project Act (the "Act"). The Act provides for the establishment of three districts in Pawtucket (Arts District, Ballpark District and Growth Center District) from which certain "State Economic Activity Taxes" can be pledged for the purposes of financing projects in those districts. The definition of State Economic Activity Taxes in the Act limits the state tax revenues available to be pledged to only incremental tax revenues over the amount of existing baseline tax revenues as established by the Division of Taxation as of September 2019, which is similar to many tax increment financing statutes. The Act further provides that the Corporation shall establish, by regulation, the documentation that shall be required to verify compliance under the subsection listing the four eligibility criteria. As such, the Corporation is obligated to adopt regulations in relation to the establishment of documentation and a verification process for the review and approval of the use of existing baseline revenues in relation to projects in the districts.

Additional Information and Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed adoption until November 16, 2020 by contacting the appropriate party at the address listed below:

Michael Walker
Commerce Corporation
315 Iron Horse Way
Providence, RI 02908

mike.walker@commerceri.com

Public Hearing:

A public hearing, in accordance with R.I. Gen. Laws § 42-35-2.8, to consider the proposed adoption shall be held on October 26, 2020 at 9:00 am at 315 Iron Horse Way, THIS WILL BE HELD OUTDOORS, RAIN OR SHINE, Providence, RI 02908 at which time and place all persons interested therein will be heard. The seating capacity of the room will be enforced and therefore the number of persons participating in the hearing may be limited at any given time by the hearing officer, in order to comply with safety and fire codes.

The place of the public hearing is accessible to individuals who are handicapped. If communication assistance (readers/interpreters/captioners) is needed, or any other accommodation to ensure equal participation, please call 401-278-9105 or RI Relay 711 at least three (3) business days prior to the meeting so arrangements can be made to provide such assistance at no cost to the person requesting.

Regulatory Analysis Summary and Supporting Documentation:

The Act also permits the potential use of the existing baseline tax revenues in four specific circumstances. As a result, existing baseline tax revenues may be pledged over time to support the financing of a project if one of the following four listed exceptions is met: 1. The project is to facilitate an expansion of an existing business that will otherwise be unable to increase the number of full-time employees in the State; or 2. The commerce corporation certifies in writing that a defined amount of revenues from the districts collected and assessed under chapters 18, 19, and 30 of title 44 are necessary to finance or complete a given project; 3. The public investments made under this chapter for a project can be demonstrated to have a likely appreciable positive impact on the revenues of an existing business within the district; or 4. The project is necessary to retain a business that is at substantial risk of relocating to a viable location out-of-state as verified by the Rhode Island commerce corporation.

For full regulatory analysis or supporting documentation see agency contact person above.