

LC03567

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2003

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICTS -- EAST PROVIDENCE

Introduced By: Representatives Dennigan, Rose, Savage, and Moura

Date Introduced: June 30, 2003

Referred To: House read and passed

It is enacted by the General Assembly as follows:

1 SECTION 1. There is hereby created an East Providence Waterfront District.

2
3 **Section 1. Findings.** The General Assembly finds and declares that:

4 (a) Realizing the enormous potential of the East Providence Waterfront requires a
5 cooperative effort between the City, the State, and private sector leadership because all three (3)
6 interests are involved and intertwined.

7 (b) The East Providence Waterfront initiative is large and complex, includes brownfield
8 areas, and requires substantial investments of time, energy, and resources that are beyond the
9 capacity of the City to provide alone without significantly siphoning effort away from other parts
10 of the City.

11 (c) The East Providence Waterfront development project will include a substantial diversity
12 of uses, thus its implementation will require a wider range of authorities, powers, and expertises
13 than are present in any current governmental agency with jurisdiction in the project area.

14 (d) The East Providence Waterfront development will take place over a substantial period of

1 **Section 2. Purposes.** The purposes of this act are (a) to create a State-local-private
2 sector partnership to plan, implement, administer, and oversee the development of the East
3 Providence Waterfront District and (b) to authorize, provide for, and facilitate the consolidated
4 exercise of development and redevelopment powers existing at the State and local levels.

5 **Section 3. East Providence Waterfront District Created.** The East Providence
6 Waterfront District is hereby constituted an independent public instrumentality and body
7 corporate and politic for the purposes set forth in this chapter with a separate legal existence from
8 the City and from the State and the exercise by the District of the powers conferred by this
9 chapter shall be deemed and held to be the performance of an essential public function. The
10 boundaries of the district shall be established by ordinance of the City Council and may be
11 amended with the approval of the District by ordinance of the City Council. The East Providence
12 Waterfront District shall oversee, plan, implement, and administer the development of the areas
13 within the District. It is the intent of the General Assembly by the passage of this chapter to vest
14 in the District all powers, authority, rights, privileges, and titles which may be necessary to enable
15 it to accomplish the purposes herein set forth, and this chapter and the powers granted hereby
16 shall be liberally construed in conformity with those purposes.

17 **Section 4. Planning.** The District shall function and conduct its business and activities
18 in a manner consistent with plans approved for the district by the City and the Commission, and,
19 as appropriate or necessary, by the Rhode Island Economic Development Corporation. Such
20 plans may be prepared without limitation by the District in order to achieve the purposes of this
21 chapter, and shall be subject to such State and local approvals as are expressly provided for in this
22 chapter. The district shall conform with the comprehensive plan and land development
23 regulations of the City. The approved plan for the district shall be considered, in whole or part as
24 appropriate, for adoption as an element of the state guide plan by the State Planning Council and
25 for incorporation into a special area management plan, which includes the district, by the Coastal
26 Resources Management Council.

27 **Section 5. District governance -- Commission.** The powers of the District shall be
28 exercised by a commission as herein provided.

1 four (4) year term, who shall have expertise in the following areas: architecture, planning, labor,
2 finance, and commercial real estate development; the Mayor, with the approval of the City
3 Council, and the Governor shall jointly appoint a member who shall be the chairperson, subject to
4 the advice and consent of the Senate, who shall have a four (4) year term; in addition to these
5 voting members, there shall be eight (8) ex officio, non-voting members as follows: the City
6 Manager, the City Planning Director, the Public Works Director, the Executive Director of the RI
7 Economic Development Corp, the Director of the Department of Transportation, the Director of
8 the Department of Environmental Management or an associate director designated by the
9 director, a member of the Senate appointed by the Senate President, and a member of the House
10 appointed by the Speaker. In the event of a vacancy occurring in the office of a member by
11 death, resignation, or otherwise, that vacancy shall be filled in the same manner as an original
12 appointment, but only for the remainder of the term of the former member. Each member of the
13 Commission may serve until a successor is appointed and qualified.

14 (b) The commissioners shall receive no compensation for the performance of their duties
15 under this chapter, but each commissioner shall be reimbursed for his or her reasonable expenses
16 incurred in carrying out those duties. A commissioner may engage in private employment, or in a
17 profession or business.

18 (c) The chairperson shall designate a vice chairperson who shall serve at the pleasure of
19 the chairperson. Seven (7) voting commissioners shall constitute a quorum, and any action to be
20 taken by the District under the provisions of this chapter may be authorized by resolution
21 approved by a majority of the commissioners present and entitled to vote at any regular or special
22 meeting at which a quorum is present. A vacancy in the membership of the Commission shall not
23 impair the right of a quorum to exercise all of the rights and perform all of the duties of the
24 commission.

25 (d) The Commission shall appoint a secretary and such additional officers and staff
26 members as they shall deem appropriate and shall determine the amount of reasonable
27 compensation, if any, each shall receive. The Commission may vest in an executive director or
28 the director's subordinates the authority to appoint additional staff members and to determine the

1 firm, brokerage firm, commercial bank, trust company, building-loan association, architecture
2 firm, insurance company, or any other firm, person, or corporation to serve as a commissioner,
3 nor shall any contract or transaction between the District and a financial institution, investment
4 banking firm, brokerage firm, commercial bank, trust company, building-loan association,
5 architecture firm, insurance company, or other firm, person, or corporation be void or voidable by
6 reason of that service as director of the District . If any commissioner, officer, or employee of the
7 District shall be interested either directly or indirectly, or shall be a director, officer, or employee
8 of or have an ownership interest (other than as the owner of less than one percent (1%) of the
9 shares of a publicly-held corporation) in any firm or corporation interested directly or indirectly
10 in any contract with the Commission, that interest shall be disclosed to the Commission and set
11 forth in the minutes of the Commission, and the Commissioner, officer, or employee having that
12 ownership interest shall not participate on behalf of the Commission in the authorization of that
13 contract. Interested commissioners may be counted in determining the presence of a quorum at a
14 meeting of the Commission which authorizes the contract or transaction.

15 (g) Any action taken by the Commission under the provisions of this chapter may be
16 authorized by vote at any regular or special meeting, and each vote shall take effect immediately.
17 All meetings shall be open to the public and all records shall be a matter of public record except
18 that if a majority of the Commission decides, consistent with the requirements of the open
19 meetings law, that it would be in the best interests of the District and the City and/or the State to
20 hold an executive session in private, then the Commission is authorized to transact any business
21 as allowable under law at that executive session in private, and the record of the executive session
22 shall not become a matter of public record until the transaction discussed has in the opinion of the
23 Commission been completed.

24 (h) Employees of the District shall not, by reason of their employment, be deemed to be
25 employees of the State or the City for any purpose, any other provision of the general laws,
26 charter, or ordinance to the contrary notwithstanding.

27 **Section 6. Powers of the Commission.** The Commission shall have all the rights and
28 powers necessary or convenient to carry out and effectuate this chapter, including, but not limited

1 (3) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, and
2 otherwise deal in and with, real or personal property, or any interest in real or personal property,
3 wherever situated.

4 (4) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of
5 all or any part of its property and assets for any consideration and upon any terms and conditions
6 as the Commission shall determine.

7 (5) To make contracts and guarantees and incur liabilities, borrow money at any rates of
8 interest as the Commission may determine.

9 (6) To make and execute agreements of lease, conditional sales contracts, installment
10 sales contracts, loan agreements, mortgages, construction contracts, operation contracts, and other
11 contracts and instruments necessary or convenient in the exercise of the powers and functions of
12 the Commission granted by this chapter.

13 (7) To lend money for its purposes, invest and reinvest its funds, and at its option to take
14 and hold real and personal property as security for the payment of funds so loaned or invested.

15 (8) To acquire or contract to acquire, from any person, firm, corporation, municipality,
16 the federal government, or the State, or any agency of either the federal government or the State,
17 by grant, purchase, lease, gift, condemnation, or otherwise, or to obtain options for the acquisition
18 of any property, real or personal, improved or unimproved, and interests in land less than the fee
19 thereof; and to own, hold, clear, improve, develop, and rehabilitate, and to sell, assign, exchange,
20 transfer, convey, lease, mortgage, or otherwise dispose or encumber that property for the
21 purposes of carrying out the provisions and intent of this chapter, for any consideration as the
22 Commission shall determine, and with the approval of the city council and the Rhode Island
23 Economic Development Corporation to retain a master developer for all or any portion of a
24 project.

25 (9) To conduct its activities, carry on its operations, and have offices and exercise the
26 powers granted by this chapter, within or outside of the state.

27 (10) To elect or appoint officers and agents of the District, and define their duties and fix
28 their compensation.

1 (12) To be a promoter, partner, member, associate, or manager of any partnership,
2 enterprise, or venture within the district and to engage in promotional, marketing, and similar
3 activities for the benefit of the district.

4 (13) To enter into contracts, agreements, and cooperative agreements with the City and
5 its agencies and instrumentalities and the State and its agencies and instrumentalities for the
6 sharing of personnel and other resources.

7 (14) To have and exercise all powers necessary or convenient to effect its purposes;
8 provided, however, that the District shall not have any power to create, empower or otherwise
9 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
10 other separate entity without the express approval and authorization of the City Council and the
11 General Assembly.

12 **Section 7. Additional general powers.** — In addition to the powers of the District
13 otherwise provided herein, the District shall have the powers set forth below and shall be subject
14 to the limitations herein set forth. Except as may be expressly limited by action of the District at
15 a regular or special meeting, the Commission shall have the powers necessary to put into effect
16 the powers of the District as set forth below and as herein limited.

17 (a) The District is authorized and empowered to fix, revise, charge, collect, and abate
18 fees, rates, rents, assessments, delinquency charges, and other charges for its services, and other
19 services, facilities, and commodities furnished or supplied by it including penalties for violations
20 of such regulations as the District may from time to time promulgate under this chapter. Fees,
21 rates, rents, assessments, delinquency charges, and other charges of general application shall be
22 adopted and revised by the District in accordance with procedures to be established by the
23 District for assuring that interested persons are afforded notice and an opportunity to present data,
24 views, and arguments. The District shall hold at least one public hearing on its schedule of fees,
25 rates, and charges or any revision thereof prior to adoption, notice of which shall be published in
26 a newspaper of substantial circulation in the district at least fifteen (15) days in advance of the
27 hearing, and notice of the hearing shall be provided to the City Council. No later than the date of
28 such publication the District shall make available to the public the proposed schedule of fees.

(b) In order provide for the consolidated and coordinated, efficient and effective exercise of public development powers affecting or benefiting the East Providence Waterfront, the District shall have the powers of:

(1) A Special Development District as provided for in chapter 45-24.4, with the approval of the City Council.

(2) A Redevelopment Agency as provided for in chapters 45-31, 45-31.1, 45-31.2, 45-32, and 45-33 with the approval of the City Council, within areas of the district which are part of an enterprise zone as provide for in chapter 42-64.3. Within the district, the term "blighted area and substandard area" shall be deemed to include areas where the presence of hazardous materials, as defined in section 23-19.14-2, impairs the use, reuse, or redevelopment of impacted sites.

(3) A Municipal Public Buildings Authority as provided for in chapter 45-50, with the approval of the City Council.

(4) A subsidiary of the Rhode Island Economic Development Corporation, with the approval of the Economic Development Corporation, and the enactment of this chapter shall constitute the approval of the General Assembly as required by section 42-64-7.1.

(c) For the benefit of the district, the District shall have the power to enter into agreements with the City of East Providence for (1) the exercise of powers for tax increment financing as provided for in chapter 45-33.2, (2) the imposition of impact fees as provided for in chapter 45-22.4 in order to provide infrastructure capacity to or make physical improvements within the district, or (3) approval within the district of a District Management Authority as provided for in chapter 45-59, for purposes of undertaking activities consistent with an approved plan or plans for the district.

Section 8. Electors and elections. (a) Electors. The electors of the district shall include electors of the City and/or owners of real property of the city and/or district ratepayers.

(b) Elections. In the event that exercise of any powers of the District requires approval by vote within the district, the District shall have the power to organize and conduct such election in a manner consistent with requirements of law and in conjunction with the City, as necessary or appropriate.

1 President of the Senate, the Mayor as president of the City Council, and the City Manager. The
2 District shall conform with the open meetings law, 42-46, and the open records law, chapter 38-2,
3 in the same manner as required of the City, and, the Commission and the employees of the
4 District shall be subject to the Code of Ethics set forth in chapter 36-14.

5 **Section 10. Termination or dissolution of district.** — Upon termination or dissolution
6 of the District, the title to all funds and other properties owned by it which remain after payment
7 of all bonds and notes and other obligations and liabilities of the District shall vest in the City.

8 **Section 11. Inconsistent laws or ordinances inoperative.** — Except as otherwise
9 provided herein, any provisions of any special law and part of any special law and all ordinances
10 and parts of ordinances pertaining to development within the district which are inconsistent with
11 the provisions of this chapter shall be inoperative and cease to be effective. The provisions of this
12 chapter shall be deemed to provide an exclusive, additional, alternative, and complete method for
13 the doing of the things authorized hereby and shall be deemed and construed to be supplemental
14 and additional to, and not in derogation of, powers conferred upon the District by law and on the
15 city by its charter: provided, however, that insofar as the express provisions of this chapter are
16 inconsistent with the provisions of any general or special law, administrative order or regulation,
17 or ordinance of the City, the provisions of this chapter shall be controlling.

18 **Section 12. Pledge not to alter rights of district.** — The State does hereby pledge to
19 and agree with the holders of the bonds, notes, and other evidences of indebtedness of the District
20 that the State and the City will not limit or alter rights hereby vested in the District, which affect
21 the capacity or ability of the District to meet its obligations regarding bonds, notes or other forms
22 of indebtedness, until the bonds, notes, or other evidences of indebtedness, together with interest
23 thereon, with interest on any unpaid installment of interest and all costs and expenses in
24 connection with any actions or proceedings by or on behalf of the bondholders and noteholders,
25 are fully met and discharged.

26 **SECTION 2.** Section 42-64-7.1 of the general laws in chapter 42-64 entitled "Rhode
27 Island Economic Development Corporation" is hereby amended to read as follows:

28 **~~42-64-7.1~~ Subsidiaries.** -- (a) (1). The parent corporation shall have the right to exercise

1 Park, that subsidiary corporation being managed by a board of directors, the members of which
2 shall be constituted as follows: (i) two (2) members who shall be appointed by the town council
3 of the town of North Kingstown; (ii) two (2) members who shall be residents of the town of North
4 Kingstown appointed by the governor; (iii) four (4) members who shall be appointed by the
5 governor; (iv) the chairperson, who shall be the executive director of the economic development
6 corporation; and (v) non-voting members, who shall be the members of the general assembly
7 whose districts are comprised in any part by areas located within the town of North Kingstown.
8 Upon receipt of approval and authorization from the general assembly, the parent corporation by
9 resolution of the board of directors may direct any of its directors, officers, or employees to create
10 subsidiary corporations pursuant to chapter 1.1 or 6 of title 7 or in the manner described in
11 subsection (b); provided, that the parent corporation shall not have any power or authority to
12 create, empower or otherwise establish any corporation, subsidiary corporation, corporate body or
13 any form of partnership or any other separate entity, without the express approval and
14 authorization of the general assembly.

15 (b) As used in this section, 'subsidiary public corporation' means a corporation created
16 pursuant to the provisions of this section. The person or persons directed by the resolution
17 referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of
18 the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the
19 purpose or purposes for which the subsidiary public corporation is organized which shall not be
20 more extensive than the purposes of the corporation set forth in § 42-64-5; (4) the number of
21 directors (which may, but need not be, more than one) constituting the initial board of directors
22 and their names and business or residence addresses; (5) the name and business or residence
23 address of the person preparing the articles of incorporation; (6) the date when corporate
24 existence shall begin (which shall not be earlier than the filing of the articles of incorporation
25 with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with
26 law, which the board of directors elect to set forth in the articles of incorporation for the
27 regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the
28 form of authorization and approval by the general assembly and to the resolution of the board of

1 the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon
2 a later date specified in the articles of incorporation, the corporate existence shall begin and the
3 certificate of incorporation shall be conclusive evidence that all conditions precedent required to
4 be performed have been complied with and that the subsidiary public corporation has been duly
5 and validly incorporated under the provisions hereof. The parent corporation may transfer to any
6 subsidiary public corporation any moneys, real, personal, or mixed property or any project in
7 order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all
8 the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent
9 corporation except to the extent that the articles of incorporation of the subsidiary public
10 corporation shall contain an express limitation and except that the subsidiary public corporation
11 shall not have the condemnation power contained in § 42-64-9, nor shall it have the powers
12 contained in, or otherwise be subject to, the provisions of § 42-64-12 and § 42-64-13(a), nor shall
13 it have the power to create, empower or otherwise establish any corporation, subsidiary
14 corporation, corporate body, any form of partnership, or any other separate entity, without the
15 express approval and authorization of the general assembly.

16 (c) Any subsidiary corporation shall not be subject to the provisions of § 42-64-8(a), (c),
17 and (d), except as otherwise provided in the articles of incorporation of the subsidiary
18 corporation.

19 (d) The corporation, as the parent corporation of the Rhode Island Airport Corporation,
20 shall not be liable for the debts or obligations or for any actions or inactions of the Rhode Island
21 Airport Corporation, unless the corporation expressly agrees otherwise in writing.

22 (e) The East Providence Waterfront District shall, with the approval of its commission
23 and the board of directors of the corporation, be a subsidiary of the corporation for the purposes
24 of exercising such powers of the corporation as the board of directors shall determine, and
25 notwithstanding the requirements of paragraph (b) above, the act creating the District shall be
26 deemed fully satisfactory for the purposes of this section regarding the establishment of
27 subsidiary public corporations, and the express approval and authorization of the general
28 assembly shall be deemed to have been given for all legal purposes for the creation and lawful

1 **45-24.4.4. Special development districts authorized** -- For the purposes stated in § 45-
2 24.4-1, the city council of any city has the authority to establish, designate, lay out, and define, as
3 special development districts, areas that are or may be or have been the subject of or substantially
4 affected by combined federal, state, local, and private action in connection with railroad
5 relocation projects and/or railroad abandonment actions, in the same manner as cities are
6 presently empowered to establish, designate, lay out, and define zoning districts.

7 SECTION 4. Section 45-31-9 of the general laws in chapter 45-31 entitled
8 "Redevelopment Agencies" is hereby amended to read as follows:

9 **45-31-9. Agencies created** -- (a) There is created in each community a redevelopment
10 agency to be known as the redevelopment agency of the community.

11 **(b) Redevelopment agencies may also be created by public law for the purposes of**
12 **exercising the powers set forth in chapters 31-33 of this title, provided an ordinance of the**
13 **legislative body of the community authorizes the exercise of the provisions of the public law for**
14 **the purposes of these chapters. The provisions of sections 45-31-12, 45-31-13, 45-31-14, 45-31-**
15 **15, and 45-31-21 that are inconsistent with such a public law shall be deemed to be superceded by**
16 **the public law and not applicable to the redevelopment agency thereby created, upon adoption**
17 **ordinance putting into effect the purposes of the public law. Where authorized by such a special**
18 **act, the term "blighted area and substandard area" shall be deemed to include areas where the**
19 **presence of hazardous materials, as defined in section 23-19.14-2, impairs the use, reuse, or**
20 **redevelopment of impacted sites.**

21 SECTION 5. Sections 45-50-3, 45-50-5, 45-50-6, and 45-50-7 of the general laws in
22 chapter 45-50 entitled "Municipal Public Buildings Authorities" are hereby amended to read as
23 follows:

24 **45-50-3. Legislative findings - Applicability of chapter - Resolution of need required**
25 **for authority to function.** -- (a) It is declared that a need exists to authorize all municipalities
26 which issue significant amounts of general obligation debt or which have large operating budgets
27 to possess powers enabling the implementation of alternative financing techniques.

1 (c) This chapter also applies to any municipality that has been expressly authorized by
2 public law to approve the establishment of such an authority for the purposes of undertaking
3 projects, as defined by this chapter, within a specified district of the municipality.

4 ~~(c)~~ (d) The authority of any city or town shall not transact any business or exercise any
5 powers under this chapter, unless and until the city or town council, by resolution, declares, at any
6 time, that there is need for an authority to function in the city or town, and the public finance
7 management board, created by § 42-10.1-1, shall, by resolution, approve the creation of each
8 authority. Neither the state nor the public finance management board shall have any liability as a
9 result of the performance of the duty or exercise of the power described in this chapter.

10 ~~(d)~~ (e) Any authority created under this chapter is subject to the provisions of chapter 2
11 of title 38 ('Access to Public Records') and chapter 46 of title 42 ('Open Meetings') and, in
12 addition, the members of the authority are subject to the provisions of chapter 14 of title 36
13 ('Code of Ethics').

14 **45-50-5. Appointment of authority members.** -- When the council of a city or town
15 first adopts a resolution as provided for in § 45-50-3, the elected chief executive officer, in cities
16 and towns having a popularly elected chief executive officer, shall appoint five (5) resident
17 electors of the city or town as members of the authority. The appointments shall be subject to
18 approval by the city or town council where required by the charter. In cities and towns where
19 there is no popularly elected chief executive officer, the city or town council shall appoint five (5)
20 resident electors of the city or town as members of the authority. Provided, however, that the
21 provisions of this section shall not apply to an authority authorized pursuant to subsection 45-50-
22 3(c), in which case the public law providing for the exercise of the powers of the authority by a
23 body corporate and politic shall apply and be considered definitive.

24 **45-50-6. Tenure of authority members.** -- The members who are first appointed shall
25 be designated to serve for terms of one, two (2), three (3), four (4), and five (5) years,
26 respectively. Thereafter, members shall be appointed as aforesaid for a term of office of five (5)
27 years, except that all vacancies occurring during a term shall be filled for the unexpired term. A
28 member shall hold office until his or her successor has been appointed and qualified. Provided

1 (3) members of the authority constitutes a quorum and the vote of three (3) members is necessary
2 for any action taken by the authority. No vacancy in the membership of the authority shall impair
3 the right of a quorum to exercise all the rights and perform all the duties of the authority.
4 Provided, however, that the provisions of this section shall not apply to an authority authorized
5 pursuant to subsection 45-50-3(c), in which case the public law providing for the exercise of the
6 powers of the authority by a body corporate and politic shall apply and be considered definitive.

7 SECTION 6. Construction of act. This act, being necessary for the orderly development
8 of the State and the City, shall be liberally construed to effect the purposes hereof.

9 SECTION 7. Severability. This act shall be construed in all respects to meet all
10 constitutional requirements. In carrying out the purposes and provisions of this act, all steps shall
11 be taken which are necessary to meet constitutional or other legal requirements whether or not
12 these steps are expressly required by statute. If, after the application of the provisions of this
13 section, any of the provisions of this act, or its application to any circumstances, shall be held
14 unconstitutional by any court of competent jurisdiction, that decision shall not affect or impair the
15 validity of the application of those provisions to other circumstances or the validity of any of the
16 other provisions of this act.

17 SECTION 8. This act shall take effect upon passage.

TITLE 42

State Affairs and Government

CHAPTER 42-64

Rhode Island Commerce Corporation

SECTION 42-64-7.1

§ 42-64-7.1. Subsidiaries.

- (a)(1) The parent corporation shall have the right to exercise and perform its powers and functions, or any of them, through one or more subsidiary corporations whose creation shall be approved and authorized by the general assembly.
- (2)(i) Express approval and authorization of the general assembly shall be deemed to have been given for all legal purposes on July 1, 1995 for the creation and lawful management of a subsidiary corporation created for the management of the Quonset Point/Davisville Industrial Park, that subsidiary corporation being managed by a board of directors, the members of which shall be constituted as follows: (A) two (2) members who shall be appointed by the town council of the town of North Kingstown; (B) two (2) members who shall be residents of the town of North Kingstown appointed by the governor; (C) four (4) members who shall be appointed by the governor; (D) the chairperson, who shall be: (i) the executive director of the Rhode Island economic development corporation until such time that the secretary of commerce is appointed; (ii) Upon the appointment of a secretary of commerce, the chief executive officer of the Rhode Island commerce corporation, who also shall be the secretary of the Rhode Island executive office of commerce; and (E) non-voting members, who shall include the members of the general assembly whose districts are comprised in any part by areas located within the town of North Kingstown and one non-voting member who shall be a resident of the town of Jamestown, appointed by the town council of the town of Jamestown. Upon receipt of approval and authorization from the general assembly, the parent corporation by resolution of the board of directors may direct any of its directors, officers, or employees to create subsidiary corporations pursuant to chapter 1.2 or 6 of title 7 or in the manner described in subsection (b); provided, that the parent corporation shall not have any power or authority to create, empower or otherwise establish any corporation, subsidiary corporation, corporate body or any form of partnership or any other separate entity, without the express approval and authorization of the general assembly.
- (ii) The approval and authorization provided herein shall terminate upon the establishment of the Quonset Development Corporation as provided for in chapter 64.10 of this title.
- (iii) The Quonset Development Corporation shall be deemed a subsidiary of the Rhode Island commerce corporation:
- (A) As set forth in § 42-64.10-6(c); and

(B) Insofar as it exercises any powers and duties delegated to it by the corporation pursuant to this chapter for any project other than on real and personal property owned, leased or under the control of the corporation located in the town of North Kingstown, and the corporation shall be deemed to have authority to delegate any of its powers, with the exception of the power to issue any form of negotiable bonds or notes and the power of eminent domain, in order to accomplish the purposes of chapter 64.10 of this title; provided, however, that the corporation may, as provided for in this chapter, issue bonds or exercise the power of eminent domain on behalf of the Quonset Development Corporation or to undertake a project of the Quonset Development Corporation.

(b) As used in this section, "subsidiary public corporation" means a corporation created pursuant to the provisions of this section. The person or persons directed by the resolution referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the purpose or purposes for which the subsidiary public corporation is organized which shall not be more extensive than the purposes of the corporation set forth in § 42-64-5; (4) the number of directors (which may, but need not be, more than one) constituting the initial board of directors and their names and business or residence addresses; (5) the name and business or residence address of the person preparing the articles of incorporation; (6) the date when corporate existence shall begin (which shall not be earlier than the filing of the articles of incorporation with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with law, which the board of directors elect to set forth in the articles of incorporation for the regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the form of authorization and approval by the general assembly and to the resolution of the board of directors authorizing the preparation of the articles of incorporation. Duplicate originals of the articles of incorporation shall be delivered to the secretary of state. If the secretary of state finds that the articles of incorporation conform to the provisions of this subsection, the secretary shall endorse on each of the duplicate originals the word "Filed," and the month, day and year of the filing; file one of the duplicate originals in his or her office; and a certificate of incorporation to which the secretary shall affix the other duplicate original. No filing fees shall be payable upon the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon a later date specified in the articles of incorporation, the corporate existence shall begin and the certificate of incorporation shall be conclusive evidence that all conditions precedent required to be performed have been complied with and that the subsidiary public corporation has been duly and validly incorporated under the provisions hereof. The parent corporation may transfer to any subsidiary public corporation any moneys, real, personal, or mixed property or any project in order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent corporation except to the extent that the articles of incorporation of the subsidiary public corporation shall contain an express limitation and except that the subsidiary public corporation shall not have the condemnation power contained in § 42-64-9, nor shall it have the powers contained in, or otherwise be subject to, the provisions of § 42-64-12 and § 42-64-13(a), nor shall it have the power to create, empower or otherwise establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any other separate entity, without the express approval and authorization of the general assembly.

(c) Any subsidiary corporation shall not be subject to the provisions of § 42-64-8(a), (c), and (d), except as otherwise provided in the articles of incorporation of the subsidiary corporation.

(d) The Rhode Island commerce corporation, as the parent corporation of the Rhode Island Airport Corporation, shall not be liable for the debts or obligations or for any actions or inactions of the Rhode Island Airport Corporation, unless the Rhode Island commerce corporation expressly agrees otherwise in writing.

(e) The East Providence Waterfront District shall, with the approval of its commission and the board of directors of the corporation, be a subsidiary of the Rhode Island commerce corporation for the purposes of exercising such powers of the corporation as the board of directors shall determine, and notwithstanding the requirements of subsection (b), the act creating the District shall be deemed fully satisfactory for the purposes of this section

regarding the establishment of subsidiary public corporations, and the express approval and authorization of the general assembly shall be deemed to have been given for all legal purposes for the creation and lawful management of a subsidiary corporation created for the purposes of implementing the purposes of the District.

(f) The parent corporation is hereby authorized and empowered to create a subsidiary corporation for the expressed purpose to issue bonds and notes of the type and for those projects and purposes specified in the Joint Resolution and Act of the general assembly adopted by the Rhode Island house of representatives and the Rhode Island senate.

(g) The I-195 redevelopment district shall be a subsidiary of the Rhode Island commerce corporation for the purposes of exercising such powers of the corporation as the board of directors shall determine, and notwithstanding the requirements of subsection (b), the chapter creating the district shall be deemed fully satisfactory for the purposes of this section regarding the establishment of subsidiary public corporations, and the express approval and authorization of the general assembly shall be deemed to have been given for all legal purposes for the creation and lawful management of a subsidiary corporation created for the purposes of implementing the purposes of the district.

(h) The Rhode Island airport corporation – appointment of directors:

The board of directors of the Rhode Island airport corporation shall consist of seven (7) members: The board of directors shall have extensive experience in the fields of finance, business, construction and/or organized labor.

The governor of the State of Rhode Island shall appoint, with the advice and consent of the senate when nominated to serve, the seven (7) members of the board of directors. One director shall be appointed for a term of one year; two (2) directors shall be appointed for a term of two (2) years; three (3) directors shall be appointed for a term of three (3) years; and one director shall be appointed for a term of four (4) years. Appointments made thereafter shall be for four (4) year terms.

Any vacancy occurring in the board of directors shall be filled by the governor of the State of Rhode Island in the same manner prescribed for the original appointments.

A director appointed to fill a vacancy of a director appointed by the governor of the State of Rhode Island shall be appointed for the unexpired portion of the term of office of the director whose vacancy is to be filled.

All members of the board of directors of the Rhode Island airport corporation shall serve without compensation.

History of Section.

(P.L. 1975, ch. 171, § 3; P.L. 1976, ch. 277, § 3; P.L. 1995, ch. 370, art. 12, § 8; P.L. 1997, ch. 27, § 1; P.L. 2003, ch. 314, § 1; P.L. 2003, ch. 336, § 1; P.L. 2003, ch. 344, § 2; P.L. 2003, ch. 345, § 2; P.L. 2003, ch. 376, art. 36, § 10; P.L. 2004, ch. 351, § 1; P.L. 2004, ch. 360, § 1; P.L. 2005, ch. 36, § 28; P.L. 2005, ch. 72, § 28; P.L. 2011, ch. 245, § 4; P.L. 2011, ch. 267, § 4; P.L. 2011, ch. 326, § 1; P.L. 2013, ch. 243, § 3; P.L. 2013, ch. 490, § 3.)

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2003

A N A C T

RELATING TO SPECIAL DEVELOPMENT DISTRICTS -- EAST PROVIDENCE

Introduced By: Senators Irons, and Damiani

Date Introduced: June 30, 2003

Referred To: Senate Commerce, Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. There is hereby created an East Providence Waterfront District.

2
3 **Section 1. Findings.** The General Assembly finds and declares that:

4 (a) Realizing the enormous potential of the East Providence Waterfront requires a
5 cooperative effort between the City, the State, and private sector leadership because all three (3)
6 interests are involved and intertwined.

7 (b) The East Providence Waterfront initiative is large and complex, includes brownfield
8 areas, and requires substantial investments of time, energy, and resources that are beyond the
9 capacity of the City to provide alone without significantly siphoning effort away from other parts
10 of the City.

11 (c) The East Providence Waterfront development project will include a substantial diversity
12 of uses, thus its implementation will require a wider range of authorities, powers, and expertises
13 than are present in any current governmental agency with jurisdiction in the project area.

14 (d) The East Providence Waterfront development will take place over a substantial period of

1 **Section 2. Purposes.** The purposes of this act are (a) to create a State-local-private
2 sector partnership to plan, implement, administer, and oversee the development of the East
3 Providence Waterfront District and (b) to authorize, provide for, and facilitate the consolidated
4 exercise of development and redevelopment powers existing at the State and local levels.

5 **Section 3. East Providence Waterfront District Created.** The East Providence
6 Waterfront District is hereby constituted an independent public instrumentality and body
7 corporate and politic for the purposes set forth in this chapter with a separate legal existence from
8 the City and from the State and the exercise by the District of the powers conferred by this
9 chapter shall be deemed and held to be the performance of an essential public function. The
10 boundaries of the district shall be established by ordinance of the City Council and may be
11 amended with the approval of the District by ordinance of the City Council. The East Providence
12 Waterfront District shall oversee, plan, implement, and administer the development of the areas
13 within the District. It is the intent of the General Assembly by the passage of this chapter to vest
14 in the District all powers, authority, rights, privileges, and titles which may be necessary to enable
15 it to accomplish the purposes herein set forth, and this chapter and the powers granted hereby
16 shall be liberally construed in conformity with those purposes.

17 **Section 4. Planning.** The District shall function and conduct its business and activities
18 in a manner consistent with plans approved for the district by the City and the Commission, and,
19 as appropriate or necessary, by the Rhode Island Economic Development Corporation. Such
20 plans may be prepared without limitation by the District in order to achieve the purposes of this
21 chapter, and shall be subject to such State and local approvals as are expressly provided for in this
22 chapter. The district shall conform with the comprehensive plan and land development
23 regulations of the City. The approved plan for the district shall be considered, in whole or part as
24 appropriate, for adoption as an element of the state guide plan by the State Planning Council and
25 for incorporation into a special area management plan, which includes the district, by the Coastal
26 Resources Management Council.

27 **Section 5. District governance -- Commission.** The powers of the District shall be
28 exercised by a commission as herein provided.

1 four (4) year term, who shall have expertise in the following areas: architecture, planning, labor,
2 finance, and commercial real estate development; the Mayor, with the approval of the City
3 Council, and the Governor shall jointly appoint a member who shall be the chairperson, subject to
4 the advice and consent of the Senate, who shall have a four (4) year term; in addition to these
5 voting members, there shall be eight (8) ex officio, non-voting members as follows: the City
6 Manager, the City Planning Director, the Public Works Director, the Executive Director of the RI
7 Economic Development Corp, the Director of the Department of Transportation, the Director of
8 the Department of Environmental Management or an associate director designated by the
9 director, a member of the Senate appointed by the Senate President, and a member of the House
10 appointed by the Speaker. In the event of a vacancy occurring in the office of a member by
11 death, resignation, or otherwise, that vacancy shall be filled in the same manner as an original
12 appointment, but only for the remainder of the term of the former member. Each member of the
13 Commission may serve until a successor is appointed and qualified.

14 (b) The commissioners shall receive no compensation for the performance of their duties
15 under this chapter, but each commissioner shall be reimbursed for his or her reasonable expenses
16 incurred in carrying out those duties. A commissioner may engage in private employment, or in a
17 profession or business.

18 (c) The chairperson shall designate a vice chairperson who shall serve at the pleasure of
19 the chairperson. Seven (7) voting commissioners shall constitute a quorum, and any action to be
20 taken by the District under the provisions of this chapter may be authorized by resolution
21 approved by a majority of the commissioners present and entitled to vote at any regular or special
22 meeting at which a quorum is present. A vacancy in the membership of the Commission shall not
23 impair the right of a quorum to exercise all of the rights and perform all of the duties of the
24 commission.

25 (d) The Commission shall appoint a secretary and such additional officers and staff
26 members as they shall deem appropriate and shall determine the amount of reasonable
27 compensation, if any, each shall receive. The Commission may vest in an executive director or
28 the director's subordinates the authority to appoint additional staff members and to determine the

1 firm, brokerage firm, commercial bank, trust company, building-loan association, architecture
2 firm, insurance company, or any other firm, person, or corporation to serve as a commissioner,
3 nor shall any contract or transaction between the District and a financial institution, investment
4 banking firm, brokerage firm, commercial bank, trust company, building-loan association,
5 architecture firm, insurance company, or other firm, person, or corporation be void or voidable by
6 reason of that service as director of the District . If any commissioner, officer, or employee of the
7 District shall be interested either directly or indirectly, or shall be a director, officer, or employee
8 of or have an ownership interest (other than as the owner of less than one percent (1%) of the
9 shares of a publicly-held corporation) in any firm or corporation interested directly or indirectly
10 in any contract with the Commission, that interest shall be disclosed to the Commission and set
11 forth in the minutes of the Commission, and the Commissioner, officer, or employee having that
12 ownership interest shall not participate on behalf of the Commission in the authorization of that
13 contract. Interested commissioners may be counted in determining the presence of a quorum at a
14 meeting of the Commission which authorizes the contract or transaction.

15 (g) Any action taken by the Commission under the provisions of this chapter may be
16 authorized by vote at any regular or special meeting, and each vote shall take effect immediately.
17 All meetings shall be open to the public and all records shall be a matter of public record except
18 that if a majority of the Commission decides, consistent with the requirements of the open
19 meetings law, that it would be in the best interests of the District and the City and/or the State to
20 hold an executive session in private, then the Commission is authorized to transact any business
21 as allowable under law at that executive session in private, and the record of the executive session
22 shall not become a matter of public record until the transaction discussed has in the opinion of the
23 Commission been completed.

24 (h) Employees of the District shall not, by reason of their employment, be deemed to be
25 employees of the State or the City for any purpose, any other provision of the general laws,
26 charter, or ordinance to the contrary notwithstanding.

27 **Section 6. Powers of the Commission.** The Commission shall have all the rights and
28 powers necessary or convenient to carry out and effectuate this chapter, including, but not limited

1 (3) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, and
2 otherwise deal in and with, real or personal property, or any interest in real or personal property,
3 wherever situated.

4 (4) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of
5 all or any part of its property and assets for any consideration and upon any terms and conditions
6 as the Commission shall determine.

7 (5) To make contracts and guarantees and incur liabilities, borrow money at any rates of
8 interest as the Commission may determine.

9 (6) To make and execute agreements of lease, conditional sales contracts, installment
10 sales contracts, loan agreements, mortgages, construction contracts, operation contracts, and other
11 contracts and instruments necessary or convenient in the exercise of the powers and functions of
12 the Commission granted by this chapter.

13 (7) To lend money for its purposes, invest and reinvest its funds, and at its option to take
14 and hold real and personal property as security for the payment of funds so loaned or invested.

15 (8) To acquire or contract to acquire, from any person, firm, corporation, municipality,
16 the federal government, or the State, or any agency of either the federal government or the State,
17 by grant, purchase, lease, gift, condemnation, or otherwise, or to obtain options for the acquisition
18 of any property, real or personal, improved or unimproved, and interests in land less than the fee
19 thereof; and to own, hold, clear, improve, develop, and rehabilitate, and to sell, assign, exchange,
20 transfer, convey, lease, mortgage, or otherwise dispose or encumber that property for the
21 purposes of carrying out the provisions and intent of this chapter, for any consideration as the
22 Commission shall determine, and with the approval of the city council and the Rhode Island
23 Economic Development Corporation to retain a master developer for all or any portion of a
24 project.

25 (9) To conduct its activities, carry on its operations, and have offices and exercise the
26 powers granted by this chapter, within or outside of the state.

27 (10) To elect or appoint officers and agents of the District, and define their duties and fix
28 their compensation.

1 (12) To be a promoter, partner, member, associate, or manager of any partnership,
2 enterprise, or venture within the district and to engage in promotional, marketing, and similar
3 activities for the benefit of the district.

4 (13) To enter into contracts, agreements, and cooperative agreements with the City and
5 its agencies and instrumentalities and the State and its agencies and instrumentalities for the
6 sharing of personnel and other resources.

7 (14) To have and exercise all powers necessary or convenient to effect its purposes;
8 provided, however, that the District shall not have any power to create, empower or otherwise
9 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
10 other separate entity without the express approval and authorization of the City Council and the
11 General Assembly.

12 **Section 7. Additional general powers.** — In addition to the powers of the District
13 otherwise provided herein, the District shall have the powers set forth below and shall be subject
14 to the limitations herein set forth. Except as may be expressly limited by action of the District at
15 a regular or special meeting, the Commission shall have the powers necessary to put into effect
16 the powers of the District as set forth below and as herein limited.

17 (a) The District is authorized and empowered to fix, revise, charge, collect, and abate
18 fees, rates, rents, assessments, delinquency charges, and other charges for its services, and other
19 services, facilities, and commodities furnished or supplied by it including penalties for violations
20 of such regulations as the District may from time to time promulgate under this chapter. Fees,
21 rates, rents, assessments, delinquency charges, and other charges of general application shall be
22 adopted and revised by the District in accordance with procedures to be established by the
23 District for assuring that interested persons are afforded notice and an opportunity to present data,
24 views, and arguments. The District shall hold at least one public hearing on its schedule of fees,
25 rates, and charges or any revision thereof prior to adoption, notice of which shall be published in
26 a newspaper of substantial circulation in the district at least fifteen (15) days in advance of the
27 hearing, and notice of the hearing shall be provided to the City Council. No later than the date of
28 such publication the District shall make available to the public the proposed schedule of fees,

(b) In order provide for the consolidated and coordinated, efficient and effective exercise of public development powers affecting or benefiting the East Providence Waterfront, the District shall have the powers of:

(1) A Special Development District as provided for in chapter 45-24.4, with the approval of the City Council.

(2) A Redevelopment Agency as provided for in chapters 45-31, 45-31.1, 45-31.2, 45-32, and 45-33 with the approval of the City Council, within areas of the district which are part of an enterprise zone as provide for in chapter 42-64.3. Within the district, the term "blighted area and substandard area" shall be deemed to include areas where the presence of hazardous materials, as defined in section 23-19.14-2, impairs the use, reuse, or redevelopment of impacted sites.

(3) A Municipal Public Buildings Authority as provided for in chapter 45-50, with the approval of the City Council.

(4) A subsidiary of the Rhode Island Economic Development Corporation, with the approval of the Economic Development Corporation, and the enactment of this chapter shall constitute the approval of the General Assembly as required by section 42-64-7.1.

(c) For the benefit of the district, the District shall have the power to enter into agreements with the City of East Providence for (1) the exercise of powers for tax increment financing as provided for in chapter 45-33.2, (2) the imposition of impact fees as provided for in chapter 45-22.4 in order to provide infrastructure capacity to or make physical improvements within the district, or (3) approval within the district of a District Management Authority as provided for in chapter 45-59, for purposes of undertaking activities consistent with an approved plan or plans for the district.

Section 8. Electors and elections. (a) Electors. The electors of the district shall include electors of the City and/or owners of real property of the city and/or district ratepayers.

(b) Elections. In the event that exercise of any powers of the District requires approval by vote within the district, the District shall have the power to organize and conduct such election in a manner consistent with requirements of law and in conjunction with the City, as necessary or appropriate.

1 President of the Senate, the Mayor as president of the City Council, and the City Manager. The
2 District shall conform with the open meetings law, 42-46, and the open records law, chapter 38-2,
3 in the same manner as required of the City, and, the Commission and the employees of the
4 District shall be subject to the Code of Ethics set forth in chapter 36-14.

5 **Section 10. Termination or dissolution of district.** — Upon termination or dissolution
6 of the District, the title to all funds and other properties owned by it which remain after payment
7 of all bonds and notes and other obligations and liabilities of the District shall vest in the City.

8 **Section 11. Inconsistent laws or ordinances inoperative.** — Except as otherwise
9 provided herein, any provisions of any special law and part of any special law and all ordinances
10 and parts of ordinances pertaining to development within the district which are inconsistent with
11 the provisions of this chapter shall be inoperative and cease to be effective. The provisions of this
12 chapter shall be deemed to provide an exclusive, additional, alternative, and complete method for
13 the doing of the things authorized hereby and shall be deemed and construed to be supplemental
14 and additional to, and not in derogation of, powers conferred upon the District by law and on the
15 city by its charter; provided, however, that insofar as the express provisions of this chapter are
16 inconsistent with the provisions of any general or special law, administrative order or regulation,
17 or ordinance of the City, the provisions of this chapter shall be controlling.

18 **Section 12. Pledge not to alter rights of district.** — The State does hereby pledge to
19 and agree with the holders of the bonds, notes, and other evidences of indebtedness of the District
20 that the State and the City will not limit or alter rights hereby vested in the District, which affect
21 the capacity or ability of the District to meet its obligations regarding bonds, notes or other forms
22 of indebtedness, until the bonds, notes, or other evidences of indebtedness, together with interest
23 thereon, with interest on any unpaid installment of interest and all costs and expenses in
24 connection with any actions or proceedings by or on behalf of the bondholders and noteholders,
25 are fully met and discharged.

26 **SECTION 2.** Section 42-64-7.1 of the general laws in chapter 42-64 entitled "Rhode
27 Island Economic Development Corporation" is hereby amended to read as follows:

28 **~~42-64-7.1~~ Subsidiaries.** -- (a) (1). The parent corporation shall have the right to exercise

1 Park, that subsidiary corporation being managed by a board of directors, the members of which
2 shall be constituted as follows: (i) two (2) members who shall be appointed by the town council
3 of the town of North Kingstown; (ii) two (2) members who shall be residents of the town of North
4 Kingstown appointed by the governor; (iii) four (4) members who shall be appointed by the
5 governor; (iv) the chairperson, who shall be the executive director of the economic development
6 corporation; and (v) non-voting members, who shall be the members of the general assembly
7 whose districts are comprised in any part by areas located within the town of North Kingstown.
8 Upon receipt of approval and authorization from the general assembly, the parent corporation by
9 resolution of the board of directors may direct any of its directors, officers, or employees to create
10 subsidiary corporations pursuant to chapter 1.1 or 6 of title 7 or in the manner described in
11 subsection (b); provided, that the parent corporation shall not have any power or authority to
12 create, empower or otherwise establish any corporation, subsidiary corporation, corporate body or
13 any form of partnership or any other separate entity, without the express approval and
14 authorization of the general assembly.

15 (b) As used in this section, 'subsidiary public corporation' means a corporation created
16 pursuant to the provisions of this section. The person or persons directed by the resolution
17 referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of
18 the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the
19 purpose or purposes for which the subsidiary public corporation is organized which shall not be
20 more extensive than the purposes of the corporation set forth in § 42-64-5; (4) the number of
21 directors (which may, but need not be, more than one) constituting the initial board of directors
22 and their names and business or residence addresses; (5) the name and business or residence
23 address of the person preparing the articles of incorporation; (6) the date when corporate
24 existence shall begin (which shall not be earlier than the filing of the articles of incorporation
25 with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with
26 law, which the board of directors elect to set forth in the articles of incorporation for the
27 regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the
28 form of authorization and approval by the general assembly and to the resolution of the board of

1 the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon
2 a later date specified in the articles of incorporation, the corporate existence shall begin and the
3 certificate of incorporation shall be conclusive evidence that all conditions precedent required to
4 be performed have been complied with and that the subsidiary public corporation has been duly
5 and validly incorporated under the provisions hereof. The parent corporation may transfer to any
6 subsidiary public corporation any moneys, real, personal, or mixed property or any project in
7 order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all
8 the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent
9 corporation except to the extent that the articles of incorporation of the subsidiary public
10 corporation shall contain an express limitation and except that the subsidiary public corporation
11 shall not have the condemnation power contained in § 42-64-9, nor shall it have the powers
12 contained in, or otherwise be subject to, the provisions of § 42-64-12 and § 42-64-13(a), nor shall
13 it have the power to create, empower or otherwise establish any corporation, subsidiary
14 corporation, corporate body, any form of partnership, or any other separate entity, without the
15 express approval and authorization of the general assembly.

16 (c) Any subsidiary corporation shall not be subject to the provisions of § 42-64-8(a), (c),
17 and (d), except as otherwise provided in the articles of incorporation of the subsidiary
18 corporation.

19 (d) The corporation, as the parent corporation of the Rhode Island Airport Corporation,
20 shall not be liable for the debts or obligations or for any actions or inactions of the Rhode Island
21 Airport Corporation, unless the corporation expressly agrees otherwise in writing.

22 (e) The East Providence Waterfront District shall, with the approval of its commission
23 and the board of directors of the corporation, be a subsidiary of the corporation for the purposes
24 of exercising such powers of the corporation as the board of directors shall determine, and
25 notwithstanding the requirements of paragraph (b) above, the act creating the District shall be
26 deemed fully satisfactory for the purposes of this section regarding the establishment of
27 subsidiary public corporations, and the express approval and authorization of the general
28 assembly shall be deemed to have been given for all legal purposes for the creation and lawful

1 **45-24.4-4. Special development districts authorized** -- For the purposes stated in § 45-
2 24.4-1, the city council of any city has the authority to establish, designate, lay out, and define, as
3 special development districts, areas that are or may be or have been the subject of or substantially
4 affected by combined federal, state, local, and private action in connection with railroad
5 relocation projects and/or railroad abandonment actions, in the same manner as cities are
6 presently empowered to establish, designate, lay out, and define zoning districts.

7 SECTION 4. Section 45-31-9 of the general laws in chapter 45-31 entitled
8 "Redevelopment Agencies" is hereby amended to read as follows:

9 **45-31-9. Agencies created** -- (a) There is created in each community a redevelopment
10 agency to be known as the redevelopment agency of the community.

11 (b) Redevelopment agencies may also be created by public law for the purposes of
12 exercising the powers set forth in chapters 31-33 of this title, provided an ordinance of the
13 legislative body of the community authorizes the exercise of the provisions of the public law for
14 the purposes of these chapters. The provisions of sections 45-31-12, 45-31-13, 45-31-14, 45-31-
15 15, and 45-31-21 that are inconsistent with such a public law shall be deemed to be superceded by
16 the public law and not applicable to the redevelopment agency thereby created, upon adoption
17 ordinance putting into effect the purposes of the public law. Where authorized by such a special
18 act, the term "blighted area and substandard area" shall be deemed to include areas where the
19 presence of hazardous materials, as defined in section 23-19.14-2, impairs the use, reuse, or
20 redevelopment of impacted sites.

21 SECTION 5. Sections 45-50-3, 45-50-5, 45-50-6, and 45-50-7 of the general laws in
22 chapter 45-50 entitled "Municipal Public Buildings Authorities" are hereby amended to read as
23 follows:

24 **45-50-3. Legislative findings - Applicability of chapter - Resolution of need required**
25 **for authority to function.** -- (a) It is declared that a need exists to authorize all municipalities
26 which issue significant amounts of general obligation debt or which have large operating budgets
27 to possess powers enabling the implementation of alternative financing techniques.

1 (c) This chapter also applies to any municipality that has been expressly authorized by
2 public law to approve the establishment of such an authority for the purposes of undertaking
3 projects, as defined by this chapter, within a specified district of the municipality.

4 ~~(e)~~ (d) The authority of any city or town shall not transact any business or exercise any
5 powers under this chapter, unless and until the city or town council, by resolution, declares, at any
6 time, that there is need for an authority to function in the city or town, and the public finance
7 management board, created by § 42-10.1-1, shall, by resolution, approve the creation of each
8 authority. Neither the state nor the public finance management board shall have any liability as a
9 result of the performance of the duty or exercise of the power described in this chapter.

10 ~~(d)~~ (e) Any authority created under this chapter is subject to the provisions of chapter 2
11 of title 38 ('Access to Public Records') and chapter 46 of title 42 ('Open Meetings') and, in
12 addition, the members of the authority are subject to the provisions of chapter 14 of title 36
13 ('Code of Ethics').

14 **45-50-5. Appointment of authority members.** -- When the council of a city or town
15 first adopts a resolution as provided for in § 45-50-3, the elected chief executive officer, in cities
16 and towns having a popularly elected chief executive officer, shall appoint five (5) resident
17 electors of the city or town as members of the authority. The appointments shall be subject to
18 approval by the city or town council where required by the charter. In cities and towns where
19 there is no popularly elected chief executive officer, the city or town council shall appoint five (5)
20 resident electors of the city or town as members of the authority. Provided, however, that the
21 provisions of this section shall not apply to an authority authorized pursuant to subsection 45-50-
22 3(c), in which case the public law providing for the exercise of the powers of the authority by a
23 body corporate and politic shall apply and be considered definitive.

24 **45-50-6. Tenure of authority members.** -- The members who are first appointed shall
25 be designated to serve for terms of one, two (2), three (3), four (4), and five (5) years,
26 respectively. Thereafter, members shall be appointed as aforesaid for a term of office of five (5)
27 years, except that all vacancies occurring during a term shall be filled for the unexpired term. A
28 member shall hold office until his or her successor has been appointed and qualified. Provided

1 (3) members of the authority constitutes a quorum and the vote of three (3) members is necessary
2 for any action taken by the authority. No vacancy in the membership of the authority shall impair
3 the right of a quorum to exercise all the rights and perform all the duties of the authority.
4 Provided, however, that the provisions of this section shall not apply to an authority authorized
5 pursuant to subsection 45-50-3(c), in which case the public law providing for the exercise of the
6 powers of the authority by a body corporate and politic shall apply and be considered definitive.

7 SECTION 6. Construction of act. This act, being necessary for the orderly development
8 of the State and the City, shall be liberally construed to effect the purposes hereof.

9 SECTION 7. Severability. This act shall be construed in all respects to meet all
10 constitutional requirements. In carrying out the purposes and provisions of this act, all steps shall
11 be taken which are necessary to meet constitutional or other legal requirements whether or not
12 these steps are expressly required by statute. If, after the application of the provisions of this
13 section, any of the provisions of this act, or its application to any circumstances, shall be held
14 unconstitutional by any court of competent jurisdiction, that decision shall not affect or impair the
15 validity of the application of those provisions to other circumstances or the validity of any of the
16 other provisions of this act.

17 SECTION 8. This act shall take effect upon passage.
18
19

House Bill No. 6587

Chapter 344

BY Dennigan, Rose, Savage, Moura

ENTITLED, AN ACT RELATING TO SPECIAL DEVELOPMENT DISTRICTS -- EAST PROVIDENCE

{LC3567/1}

06/30/2003 House read and passed
06/30/2003 Referred to Senate Commerce, Housing and Municipal Government
07/01/2003 Scheduled for hearing and/or consideration
07/01/2003 Committee recommends passage in concurrence
07/01/2003 Placed on Senate Calendar
07/02/2003 Senate passed in concurrence
07/09/2003 Transmitted to Governor
07/17/2003 Effective without Governor's signature

Senate Bill No. 1187

Chapter 345

BY Irons, Damiani

ENTITLED, AN ACT RELATING TO SPECIAL DEVELOPMENT DISTRICTS -- EAST PROVIDENCE

{LC3568/1}

06/30/2003 Introduced, referred to Senate Commerce, Housing and Municipal Government
07/01/2003 Scheduled for hearing and/or consideration
07/01/2003 Committee recommends passage
07/01/2003 Placed on Senate Calendar
07/01/2003 Senate read and passed
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