

DEPARTMENT OF CITY CLERK

CITY HALL

DECEMBER 2, 1982

The Committee on Finance meets this day at 4:00 o'clock P.M. in Committee Room "A".

Present: Chairwoman Brassil and Councilmen Dillon, Easton, Paolino, Mansolillo and Farmer.

Also present are Finance Director Baron, City Council Internal Auditor Woerner and William Collins fo the Mayor's Office. (Rose M. Mendonca, City Clerk).

REQUEST OF DEPUTY DIRECTOR OF PUBLIC WORKS
TO ATTEND MEETING.

Chairwoman Brassil states Mr. Lembo is present for two reasons. One is relative to the \$290,000 Public Improvement Bonds and the second is his salary in the 1982-1983 budget. He is grossly underpaid at \$27,500. He is requesting it be raised to a comparable salary with other Cities and Towns in Rhode Island.

She requests he speak to the Members.

Mr. Lembo distributes papers which compare his salary to other communities and reads a communication to the Members which show Newport paying \$32,200; Cranston, \$31,600; East Providence, \$31,200; Pawtucket, \$30,984 as compared to his salary.

Mr. Lembo states Providence has more problems than most of the cities in Rhode Island, technical and political. Providence is the largest City and does the most work. Even with losing the Sewage Treatment Plant, his own workload is tremendous. He has many problems.

He is asking for a salary increase to \$31,500; \$600.00 a week.

Questioned by Councilman Easton as to whether he does outside consultant work and/or receives any other compensation from the City, Mr. Lembo responds he receives nothing else from the City. He can do consultant work but he is limited. He does some in Mass. on a week end here and there. They get involved in a conflict very easily.

Councilman Mansolillo states he knew nothing of this until he came here. He asks if Mr. Lembo made his request through the administration in a formal way. This body takes recommendations from the administration. He states Mr. Lembo received 7% over last year. A number of people in high administration capacity have not

DECEMBER 2, 1982

been compensated and steps were taken to reckon that. City Engineer and Deputy Director of Public Works ought to be a little higher than was set.

It would be appropriate to go through the proper channels.

Chairwoman Brassil explains it was her idea for Mr. Lembo to appear before the Committee.

Councilman Mansolillo states it is irregular for a non-director to come forward without the Director or his administration.

On motion of Councilman Easton, seconded by Councilman Paolino, it is voted to Continue the matter and allow the Administration to review the request with the hope their review will not be prejudiced by misinformation on Mr. Lembo's part.

RELATIVE TO PUBLIC IMPROVEMENT BONDS
\$290,000.

Chairwoman Brassil reviews the bond authority which runs out December 31.

Mr. Lembo states he has a bid from Paolino Construction Company, low bidder, for the concrete deck slab at Berths 5 and 6 at the Port where the Container is going. When the container arrives 100' by 100' good working surface is needed for assembly. A concrete deck slab for loading process \$289,000 is the low bid to install the deck. He explains the work to be done for the container by the bidder.

Chairwoman Brassil questions as to the money being funded in the budget and Mr. Lembo states the money approved was for the completion of the work on Berth 3, plus driving and dredging.

Councilman Easton states the technicality is whether or not the money was appropriated and why it was not used.

Mr. Baron states \$600,000 was the original departmental request and his department reduced it.

Councilman Easton does not want to approve this request for capital funding and discover the dredging at the Port was cancelled and the money transferred elsewhere.

Mr. Lembo states a letter will be coming from OSHA. There is no seaside protection to prevent an automobile from going off the Piers.

Councilman Mansolillo states Mr. Juchnik spoke to him about this. It was indicated, as a matter of policy, the Administration

ought to look for a use for that money. The administration feels the usage of this money through bonding is prudent.

On motion of Councilman Easton, seconded by Councilman Farmer, it is voted to transmit the Ordinance to authorize the Issue of \$290,000 Public Improvement Bonds for Capital Purposes Pursuant to Chapter 51 of the Public Laws of 1972 to the City Council without recommendation.

RELATIVE TO REQUESTS FOR TWELVE YEAR TAX EXEMPTION FOR PARKING GARAGES.

Chairwoman Brassil states this matter was referred to the Finance Director for a fiscal note and reads the following to the members from Theodore C. Littler, City Assessor.



THE CITY ASSESSOR
CITY HALL, PROVIDENCE, RHODE ISLAND 02903
421-5900

MEMORANDUM

TO: Jerome I. Baron, Finance Director
FROM: Theodore C. Littler, City Assessor
DATE: December 1, 1982
RE: Request for information for Fiscal Note on 12 year parking garage exemption proposal

With regard to your request for a potential "tax loss" figure as it relates to the proposed twelve year tax exemption for two parking garages in the City, the following is submitted.

The projects in question are:

- (1) 18-20 Weybosset Street (Assessor's Plat 24, lots 418 & 419) owned by R. I. Supply Company; assessed for \$287,980 with a current tax bill of \$19,470.33.
- (2) 36 Pine Street (Assessors Plat 20, lots 101, 105 & 106) owned by Planet Realty Company; assessed for \$201,760; tax of \$13,640.99 currently.

Under the proposal before the City Council, the owners would remain liable for the taxes on the land, while only the structures would be exempted during the twelve year period. It is anticipated that both projects would be taxed for a total of \$371,400 for the land involved during this time.

In determining a "tax loss" figure and a land tax figure, consideration was given to (a) the fact that the City under state law is required to implement a revaluation for the 1986 tax year, and (b) a projected increase in the tax rate during the twelve year term.

Taking these facts into consideration, I am projecting an overall net loss of approximately ~~\$374,000~~ in tax revenues. Precedent has long been established by City Council resolutions to granting such parking garage exemptions. Exemptions have already been granted to the Majestic, Biltmore and Outlet garages.

DECEMBER 2, 1982

Questioned by Chairwoman Brassil as to whether the Administration favors the tax exemptions, Councilman Mansolillo informs the Administration is reluctant, in a general sense to approve any tax exemption. It is also recognized that parking in the Downtown Area is important to commerce and the quality of life in downtown. They ought not move too quickly in favoring the exemption.

Councilman Farmer states this meeting was to reconsider both requests. Mr. Bliss has a more substantial request, given the history of the property.

A procedure should be established within the limits and it ought to apply to everyone, including the first applicant.

Councilman Easton reviews the discussion at the previous meeting and the reason he voted for it.

Chairwoman Brassil states they were referred back to Committee, due to legal problems such as the 200% exemption.

The matters are Continued.

Adjournment: On motion of Councilman Easton, seconded by Councilman Paolino, the Committee adjourns at 8:05 o'clock P.M.

Rose M. Mendenhall
Clerk

Copied *J.M.A.*

Compared *J.L.D.*