



## 2007 Statewide Legislative & Policy Agenda

(Revised: May 1, 2007)

Grow Smart Rhode Island promotes a comprehensive legislative and policy agenda that reflects smart growth principles and practice. We aim to educate the public and a broad spectrum of governmental and community leaders about the importance of encouraging planned, sustainable economic and residential development in our urban and town centers while protecting Rhode Island's natural and cultural resources. The following are several policy initiatives that Grow Smart supports. Some of these require specific legislation to implement, while others require only executive branch/agency action.

This agenda will evolve over the next several months. Interested readers are encouraged to check back frequently as we collaborate with our coalition partners to develop additional proposed legislation and/or policies to achieve these goals.

**Note: Category and topic heading links lead to more detailed information in Grow Smart's publication "[Strategies for Protecting Quality of Place and Expanding Opportunity](#)" that was distributed to all candidates for state and local office in September 2006.**

### **ECONOMIC DEVELOPMENT / NEIGHBORHOOD REVITALIZATION**

#### **Land-Use 2025:**

- Prioritize statewide implementation of *Land-Use 2025* as a meaningful blueprint for achieving smarter, more efficient growth patterns throughout Rhode Island. A particular emphasis should be paid to plan's recommendation for targeting ongoing state infrastructure investments in transportation, sewers, water, schools, libraries and state facilities to places that most need and can best accommodate such growth – Rhode Island's many urban, town and village centers. The research is well documented that compact, higher-density development patterns conserve public tax dollars and land resources while also building stronger communities.
- Establish 6-10 measures for Land-Use 2025 Implementation and disseminate along with good models/best practices to key stakeholders and general public.

#### **State Planning Council:**

- By Executive Order, the Governor should raise the profile of the State Planning Council (SPC) as a substitute for the now-dormant Governor's Growth Planning Council (GPC). SPC's membership should be expanded to include high-ranking officials from the RIEDC, RIDEM and the business community. It should assume all duties previously assigned to the GPC, including the charge to examine the broad impacts of development patterns and trends and to recommend policies that integrate shared growth management goals across state government departments.

### **Historic Preservation Investment Tax Credit:**

- Support the continuation of a strong Rhode Island Historic Preservation Investment Tax Credit which has proven itself to be one of the best economic development and housing production incentives that Rhode Island has implemented in decades. A [study](#) commissioned by Grow Smart and performed by the real estate consulting firm of Lipman, Frizzell and Mitchell (LF&M) of Columbia, Maryland revealed that the tax credit program generates more than \$5 dollars of economic activity for every \$1 dollar invested by the state. The program has already stimulated more than \$1.5 billion dollars of private investment, redeveloping vacant or underutilized buildings, bringing new economic activity into urban, town and village centers, increasing Rhode Island's housing supply, cleaning up contaminated sites, improving public safety and sparing countless acres of open space and farmland.
- Promote, especially with our congressional delegation, a new federal legislative proposal called the [Community Restoration and Rehabilitation Act](#) that would make it easier for property owners and developers to use the federal historic preservation tax credit to create affordable housing and smaller commercial projects within historic buildings. One key provision of this initiative would allow the federal Historic Tax Credit to be paired with the federal Low Income Housing Tax Credit in certain projects. The Community Restoration and Rehabilitation Act has been introduced in both the U.S. House and U.S. Senate by members of both political parties, and reflects input from a wide array of organizations committed to community development and revitalization, including the National Trust for Historic Preservation, the American Institute of Architects and the Affordable Housing Tax Credit Coalition. In Rhode Island, the 20% federal Historic Tax Credit is often used in conjunction with our 30% state Historic Preservation Investment Tax Credit to make it economically feasible to rehab historic mill and commercial buildings.

### **Brownfields:**

- Watchdog and facilitate effective implementation of the new brownfield permit streamlining law.
- Ensure there are sufficient staff resources at DEM and EDC focused on facilitating brownfield redevelopment
- Support continuation of the RI Historic Preservation Investment Tax Credit, emphasizing the credit's frequent use for projects on brownfield sites.

### **Zoning:**

- Strengthen local capacity to write zoning ordinances that successfully integrate residential uses with commercial and retail uses in town and village centers by providing state guidance for form-based provisions within local zoning codes.

## **LAND CONSERVATION**

### **Conservation Development Design:**

- In conjunction with DEM and others, Grow Smart will continue promoting Conservation Development Design among municipal policymakers as a best management practices tool for preserving open space and critical natural resources.

### **Open Space Permanency Agenda:**

- Support [S-564](#) legislation that establishes a system of checks and balances governing any proposal to sell or change the use of land purchased with public money for the purpose of protecting the drinking water supply even if the land is currently held by private water suppliers.

### **Advocacy against large lot zoning as a tool for land conservation:**

- Grow Smart presented [testimony](#) against passage of [H-5990](#). Our opposition is based on the belief that the measure would contribute to the fragmentation of open space, is inconsistent with the strategies for open space protection in Rhode Island's new land-use plan and that it would be undermine the goals and purpose of the Housing and Conservation Trust Fund Act.

### **Advocacy against the proposal to sell State-owned land in Charlestown as a means to help close the FY 2008 State Budget deficit**

- Grow Smart co-signed a [letter](#) on March 12, 2007 with several land conservation advocates addressed to House Speaker William Murphy asking that he oppose the sale of state-owned land in Charlestown (known as "Camp Pastore") as proposed in Governor Carcieri's FY 2008 budget and to return the property to its original use as part of Burlingame State Park.

### **Advocacy in support of protecting conserved land from adverse possession claims:**

- Grow Smart submitted [written testimony](#) in support of [H5505](#). We believe that broad public support for open space conservation is based on the public's trust that land, once protected, will remain protected. By stipulating that land held by a nonprofit corporation for purposes of conservation or open space protection is not subject to adverse possession or prescription, H5505 will ensure the permanence of conservation land boundaries.

## **AFFORDABLE HOUSING**

Grow Smart Rhode Island sits on the Steering Committee for HousingWorksRI, a broad coalition convened to address the state's severe shortage of quality affordable housing. We support the HousingWorksRI legislative priorities, which focus on maintaining current State commitments to programs and policies and ensuring the effective implementation of the \$50 million bond passed by voters in 2006. Those priorities are:

### **Neighborhood Opportunities Program**

- Continued annual state funding of \$7.5 million for the Neighborhood Opportunities Program, which builds housing for the disabled and disadvantaged. ([H5723](#) / [S572](#))

### **Implementation of the \$50 Million Bond**

- Grow Smart and its HousingWorksRI allies will serve as watchdogs and monitors to ensure that the first \$12.5 million in bond financing is issued and that the funds are efficiently and effectively allocated to produce housing units
- We support establishment of a \$250,000 Capacity-Building Fund to enhance the ability of community development corporations to build affordable homes. ([H5838](#) / [S424](#))

### **Revisions to the Low and Moderate Income Housing Act**

- Extend the life of the Implementation Commission. ([H5426](#) / [S424](#))
- Require additional communities to submit affordable housing plans. ([H5711](#) / [S668](#))

### **Funding for the Housing Resources Commission**

- Reduce the disproportionate budget cut (56%) recommended by Governor Carcieri for the Housing Resources Commission and continue to allow the Housing Resources Commission to determine how its budget should be allocated.

Grow Smart Rhode Island also chaired and staffed the Housing & Conservation Trust Study Commission established by the General Assembly in 2005. As an organization, we are committed to exploring ways to activate the Housing & Conservation Trust Fund with a dedicated funding source.

## **PROPERTY TAX**

### **Property Tax Reform:**

- There is a growing consensus that Rhode Island's property tax system needs reform. Grow Smart believes that our state's over reliance on the property tax harms our quality of life in many subtle but serious ways, reinforcing urban disinvestment and promoting a chase for ratables that results in wasteful and inefficient sprawl-type development. We're also concerned that the current property tax system increases local officials' fiscal reservations about siting compact affordable housing in their communities.
- Grow Smart recommends the following three alternatives to the current system for consideration by the Governor and the General Assembly. We offer these options recognizing that such significant reform can only be achieved if most of the communities and constituencies seeking change perceive a specific reform proposal to be mutually beneficial.
  1. Link property tax reform with school funding reform by substituting a statewide property tax for some or all of the local property tax. This has been done recently in Vermont. When considering statewide property tax reform in New England, and certainly in Rhode Island, a linkage between property tax reform and school funding reform is almost inevitable, given our heavy reliance on the property tax to fund public education and the dramatic differences between individual communities' tax capacity.

2. Establish a regional property tax sharing system that pools some or all tax revenue from new commercial development in a designated region and distributes these funds to participating communities on a formula basis. One model to consider is metropolitan Minneapolis St. Paul (an area larger in population and land area than RI), where a regional property tax sharing system has been in place for approximately 30 years.
3. Transfer some of the burden for education funding from the local property tax to an existing state tax such as the income or sales tax. This approach, which was implemented ten years ago in Michigan by increasing the state sales tax and lowering the local property tax, is likely the most politically difficult of these three alternatives at this point.

## **TRANSPORTATION**

Grow Smart is a participant in the New Public Transit Alliance and the City of Providence's Transit 2020 Working Group, both advocating a greater role for public transit in Rhode Island's future.

### **Oversight:**

- In order to ensure proper legislative oversight for all modes of transportation in an integrated fashion, we recommend that the General Assembly establish a standing Transportation Committee, perhaps by expanding the scope of the existing Joint Committee on Highway Safety.
- Likewise, we recommend that the Governor expand the authority of the State Planning Council (as mentioned previously) to oversee the multi-departmental execution of strategic transportation initiatives.

### **Public Transit:**

- Revitalize the RIPTA Board of Directors by implementing the new state statute that calls for a diverse board with due consideration given to recommendations for nominations identified in RI Gen. Laws, [Ch.39-18\(2\)](#).
- An adequate long range and sustainable funding mechanism for RIPTA is needed to meet current and future passenger demand and to avoid overcrowding and passengers being left behind.
- Implement State Guide Plan recommendation that state government develop a plan for offering state employees incentives to utilize public transit ([H-5416](#) / [S-414](#)). Read Grow Smart's [April 2006 testimony](#) in support of this bill to create a mass transportation fringe benefit program for state employees that would exclude state employee RIPTA commuting costs from taxable wages and compensation.
- Extend the URI-Kingston U-PASS program to CCRI, RIC and URI-Providence in which college IDs serve as bus passes ([S-456](#)).
- Explore the responsible use of state-enabled [Tax Increment Financing](#) (TIF), as well as additional state investment, to fund the expansion of public transit infrastructure where appropriate.
- Explore the feasibility of establishing a commuter rail stop at West Davisville to support the increased number of workers anticipated at the Quonset Business Park.

## WATER MANAGEMENT & SUPPLY

Grow Smart Rhode Island is a member of the [Coalition for Water Security](#), a consortium of state and local organizations in Rhode Island that believe that Rhode Island's existing policies and governance do not ensure that all essential needs for water over the long run can be met.

The Coalition has identified four key areas that must be addressed:

- Protecting natural resources by determining how much water must be left in the natural system of rivers, streams, wetlands and natural water bodies.
- Managing water withdrawals.
- Reducing demand, particularly during the summer months.
- Permanently protecting lands acquired to protect drinking water supplies.

Grow Smart generally supports the Coalition's legislative and policy agenda. Of particular interest are several legislative recommendations that we believe are necessary for other water management work to go forward and several recommendations related to smart growth and land use, including:

- Requiring DEM to develop numeric standards and criteria for maintaining stream flows and water levels by July, 2008.
- Strengthening the Water Resources Board's authority to review and authorize withdrawals and directing the Water Resources Board to promulgate regulations for withdrawal authorization.
- Referencing the goals of Land Use 2025 in the water management legislation and setting as a state goal making development choices that reflect the constraints of a sustainable water supply.
- Authorizing a mechanism to assist cities and towns to plan for water use to support growth consistent with Land Use 2025.
- Establishing a statewide goal for per capita water use and encouraging conservation pricing proposals.
- Amending [RIGL 46-15.3-11](#) to declare that any lands acquired for water supply protection purposes with, or prior to, the Water Quality Protection Funds shall only be used for the purposes for which they were originally acquired.