

May 31, 2015

Dear Fellow East Siders:

I hope you are enjoying your weekend. This week's letter discusses the City Council's review of the budget, as well as two upcoming neighborhood meetings.

The Mayor submitted his budget on May 1, and the City Council leadership plans to complete its review over the next two weeks. On Tuesday, June 2, there will be a public hearing on the budget, including the Mayor's proposed tax rates (which are the same as last year). On Friday, I learned that the City Council leadership is exploring changes to the budget that would lower the tax rate nonresident landlords pay while leaving all other tax rates the same. The change under discussion would reduce the landlord's tax rate by just under \$1 per thousand dollars of valuation, and would reduce revenue from that source by approximately \$2 million. Because the Mayor's budget was presented as balanced, the City Council leadership is looking for additional savings to "pay for" this targeted tax cut. I am not part of the leadership or this project, and I am concerned that this initiative (if it goes forward) might not be widely known when the public testifies at the June 2 hearing. Putting aside the [lack of] transparency issue, I have three substantive concerns about the proposal. First, if the \$2 million in savings is found, is the methodology sufficiently reliable? The Mayor's budget contains some aggressive assumptions, and the City does not have a "cushion" of reserves to absorb budgeting errors. Second, if the \$2 million in additional savings is clearly established, what is the case for using it to reduce taxes on landlords? For example, I plan to research the impact of the 2013 revaluation on taxes paid by landlords and homeowners, and determine how the revaluation affected each group's tax burden. Third, if the landlords have an argument that a tax break for them is beneficial, how does that argument measure against other possible uses of an additional \$2 million? Are there needs in our schools, our infrastructure, our parks, our recreation programs, or elsewhere that would provide a greater benefit for the City and its residents than a tax reduction for landlords? I will be researching all of these questions as the budget heads towards approval. If the Finance Committee votes out a budget this week, the budget will then be reviewed by the City Council in two separate meetings during the following week (June 8-12).

On Monday, June 15 at 6:00 p.m. at Nathan Bishop Middle School, Mayor Elorza will be holding a Community Conversation co-hosted by Councilman Kevin Jackson and myself. The agenda is open, but I am looking forward to hearing neighbors share their questions and views about a number of topics, including the budget, the downtown baseball stadium proposal and the future of the Providence Public Schools in the wake of Superintendent Lusi's recent resignation.

On Saturday, June 13 at 9:00 a.m. at the Lincoln School on Butler Avenue, the Seekonk Riverbed Revitalization Alliance is sponsoring a public meeting to discuss the current state and possible future uses of this resource, including River Road. As many of you know, I held a community meeting on this subject a few years ago, but this meeting is an independent effort organized by local residents. They plan to hold a design workshop to discuss ways to improve waterfront access and pedestrian safety and to promote riverbank restoration. If you would like more information, send them an email at rjacobsonNPSGWintern@gmail.com.

Sincerely,

