

Posted Apr. 10, 2008

Small Business

New Providence ordinance helps displaced tenants

By Denise Perreault
PBN Staff Writer

PROVIDENCE – A landmark ordinance signed this morning by Mayor David N. Cicilline encourages developers of old mill buildings to give small-business tenants adequate notice of displacement and pay as much as \$10,000 toward their relocation costs.

The ordinance calls on developers who are renovating old mills for new uses to provide artists and other small-business tenants with 90-day notice of displacement, regardless of current lease terms; and to reimburse tenants for relocation costs, providing them with \$2,500 to \$10,000, depending on the number of employees.

The measure is voluntary, not mandatory, but financial strings are attached: Any developer who does not abide by the ordinance will receive no financial assistance from the city – in the form, for instance, of property tax stabilization, tax abatements or any state or federal funding administered by the city.

The measure, sponsored by City Councilman Luis Aponte of Ward 10, is based on a similar law in Seattle. It makes Providence one of the few places in the country to protect small businesses displaced by redevelopment of historic mills, supporters said.

“We want to ensure that what we’re giving incentives for, on the one hand, does not cost us jobs in the city on the other hand. We should not be subsidizing the loss of businesses and jobs,” Aponte told Providence Business News.

Erik Bright and Lisa Carnevale, co-directors of the Partnership for Creative Industrial Space, worked with the city Planning Department to draft the ordinance. The two spoke with PBN about the measure this week.

“All the conditions are dependent on the fact that the building is receiving city assistance,” Bright noted. Developers who don’t comply with the measure “will receive no city subsidies at all in the future.”

“Nobody can force a developer to do these things,” he explained, “but the city can say, ‘If you don’t do this, we won’t help you.’”

Carnevale estimated more than 100 small businesses in Providence have been forced to relocate because of mill renovations in recent years. Most of those, she said, “are mom-and-pop establishments that hire locally,” and many are in low-income areas where employees live nearby, without transportation, and must walk to work. Artists’ studios are “a small part” of those displaced, she said.

The measure was signed in a ceremony at MEDPort LLC on Hartford Avenue. Those attending the 10:30 event included artists and business owners displaced by local redevelopment projects.