

An Analysis of Rhode Island Property Value Trends and Land Use Patterns

Executive Summary

The impact of the migration of population and personal wealth in Rhode Island has different land use and local fiscal capacity implications depending on the type of community. Overall economic conditions and population shifts impact the relative wealth of different types of communities, including residential, commercial and industrial real property. These shifts impact state and local operational costs, infrastructure investment decisions, and regulatory patterns throughout the State.

For example, urban Rhode Island must deal with slow growth or declining tax bases, aged, deteriorating infrastructure, and growing concentrations of poverty. Conversely, suburban and rural communities continue to experience pressure from residential development due to migration patterns, which may translate into local pressure to undertake initiatives and policies that are designed to limit growth.

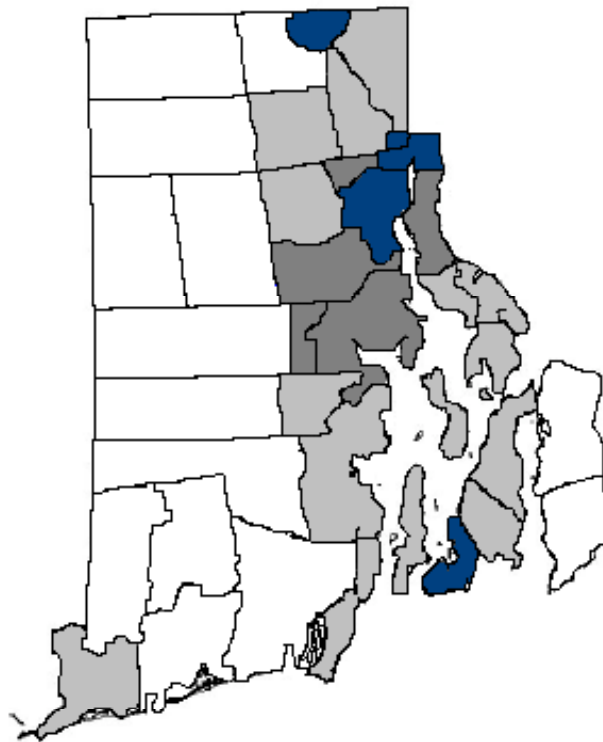
While the State's overall property wealth has increased over the past 30 years, migration patterns within the State do raise some interesting issues. One of the most direct impacts of this shift in people and wealth is the growing discrepancy in resources available for public education, which can impede equal opportunity towards educational achievement. Cities and towns have different fiscal capacities drawn from their local tax bases and have varying student needs and municipal service demands that require different levels of investment.

It is important to note that the following analysis looks at shifts in property value and land use in the State from FY 1970 through FY 2000. The latest land use data available is from 1995 provided by the Statewide Planning Program. Therefore, RIPEC developed land use estimates for 2000. Property values are expressed in estimated full market value and adjusted to 2000 dollars. This work builds on earlier RIPEC efforts (Strengthening Cities, 1998) and Grow Smart Rhode Island (The Costs of Suburban Sprawl and Urban Decay in Rhode Island, 1999), as well as work prepared by Statewide Planning.

The analysis discusses the findings in terms of the class of community - urban core, urban ring, suburban and rural. The following map provided by the Statewide Planning Program (RIGIS) displays communities by these categories.

The findings of this report have significant implications for public policy in Rhode Island. The following highlights some of the key findings of the report:

CLASSIFICATION OF CITIES & TOWNS IN RHODE ISLAND



Classification

Urban Core
Urban Ring
Suburban
Rural

RIGIS
JD S-031402

Revenues derived from the local property tax are increasingly dependent on residential property wealth.

- Approximately 81.0 cents of every new \$1.00 in property wealth generated from FY 1970 through FY 2000 was created by increases in residential property values. As a result, residential property wealth increased as percentage of total property wealth from 56.0 percent to 70.0 percent during this period.
- Nearly 15.0 cents of every new \$1.00 in property wealth over this 30-year period was generated by growth in commercial property, which grew at an average annual rate of 3.8 percent during this period of time.

- Industrial property values actually declined by \$0.7 billion statewide – primarily due to declines in the urban core. Industrial property values as a percentage of total property value decreased from 9.3 percent in FY 1970 to 3.0 percent in FY 2000.
- Nearly 85.0 percent (55,600 acres) of the net increase in land consumption for residential, commercial and industrial purposes was consumed for residential purposes only. Most (90.0 percent) of these acres consumed for residential purposes was located in the State’s suburban and rural communities.
- Residential land use as a percentage of all available land statewide increased from 12.8 percent in 1970 to 21.0 percent in 2000, while commercial increased from 1.0 to 2.0 percent.

While all types of communities have experienced net growth in their property tax base since FY 1970, there has been a significant shift in where the property wealth resides in the State.

- Overall property wealth (adjusted to 2000 dollars) in the State increased by \$33.5 billion from FY 1970 to FY 2000 – at an average annual rate of 4.2 percent.
- The 10 urban communities experienced growth at an average annual rate of 2.2 percent over the 30-year period while suburban and rural property values grew at an average annual rate of 7.6 percent during the same period.
- In FY 1970, the 10 urban communities had 63.0 percent of all the property wealth in the State. This has since declined to approximately 46.0 percent in FY 2000.
- Urban core communities had 50.0 percent of the State’s commercial property value in FY 1970. This has since declined to 32.5 percent in FY 2000.
- Urban core communities had 51.0 percent of the State’s industrial property value in FY 1970. This has since declined to 30.9 percent in FY 2000.

While property wealth statewide (adjusted for inflation) has experienced a net increase of \$33.5 billion from FY 1970 through FY 2000, recent trends show significant declines in value since FY 1991.

- The statewide adjusted property value has declined from \$80.0 billion in FY 1991 to \$59.9 billion in FY 2000 - a \$20.1 billion decline over the past decade (25.0 percent).
- Approximately 66.0 percent (\$13.2 billion) of the net decline in the State's property value from FY 1991 to FY 2000 was due to declines in property values in the urban core and urban ring communities. The 34.0 percent balance of the decline was in the suburban and rural communities.

- Approximately 52.0 percent (\$10.4 billion) of the net decline was in residential property wealth, representing a 20.0 percent decline in residential property values during this period.
- Nearly 24.0 percent (\$4.8 billion) of the net decline was in commercial property values. Commercial property values declined by 33.5 percent over this period of time.
- Approximately 8.0 percent (\$1.7 billion) of the net decline in property values statewide was in industrial property wealth. Industrial property wealth experienced a 50.0 percent decline in value during this period.

While population has increased by 10.5 percent from FY 1970 through FY 2000, Rhode Islanders increased their consumption of land for residential, commercial and industrial purposes by 64.8 percent (An additional 65,800 acres).

- The State's 10 urban communities experienced a net increase of 800 persons since 1970 while the remaining 29 non-urban communities experienced a net increase of 98,700 persons during the same period.
- The urban core communities' share of the State's total population declined from 37.4 percent in 1970 to 32.0 percent in 2000, while rural Rhode Island increased its share from 11.2 percent to 16.0 percent during the same period. Both urban ring and suburban shares of the State's population remained the same.
- Approximately 70 percent of the net increase in land consumption for residential, commercial and industrial uses occurred in suburban and rural communities, which have 42.0 percent of the State population.
- The State increased the number of acres used for residential, commercial and industrial purposes from 101,500 acres in FY 1970 to 167,300 in FY 2000 - consuming an additional 65,800 acres - roughly the same acreage of the towns of North and South Kingstown combined (67,500 acres).
- Of the 65,800 additional acres consumed during this period, 56,500 acres (85.0 percent) were consumed in suburban and rural communities - the remaining growth of 9,300 acres was consumed in the urban core and ring communities.

The net growth in the local property tax levy for schools (adjusted for inflation) outpaced the growth in State education aid from FY 1970 through FY 2000.

- Property tax levies increased by \$602.8 million from FY 1970 to FY 2000 - an 82.3 percent increase. Nearly 60.0 percent of this increase was for education spending.
- The local property tax levy for education experienced a net increase of \$346.5 million over this period of time - with nearly 72.4 percent derived in the suburban and rural communities.
- Education aid increased by \$315.3 million during the same period of time - with nearly 80.0 percent of the increase going towards the State's urban school systems and the 20 percent balance towards the suburban and rural communities.

Growth in property wealth statewide can have a positive impact on the capacity of this State to sustain economic activity and to invest in the future. Positive trends likely translate into higher incomes, jobs and opportunities. However, Rhode Island's experience also has a range of social and fiscal implications on both urban and non-urban communities. The influx of new residents in non-urban communities puts additional pressure on municipal services and schools, as well as on virgin land. Conversely, the loss of population in urban centers has resulted in the under-utilization of infrastructure and assets already in place. Public policies should be designed to curb the economic and social costs these trends bring to the State.

In order to manage growth pressure in the non-urban communities, a viable alternative for residential choice must exist. Rhode Island urban centers may offer such an alternative, yet the rate of growth clearly lags the rest of the State. There is a need to reinvigorate the once wealth-producing investments in the urban communities. There are no easy solutions to challenges that have emerged over decades of change. Therefore, in order to begin rekindling residential and commercial investment in the State's urban centers, RIPEC recommends:

- Investing in urban housing investment tax credits;
- Developing effective vacant lot reuse programs;
- Reconfiguring the State's education financial system;
- Creating an urban infrastructure reinvestment trust fund; and
- Improving Brownfield remediation efforts.

Table of Contents

Section I **Page 9**
What This Report Means to Rhode Island

Section II **Page 13**
Property Values in Rhode Island

Section III **Page 25**
Land Use Patterns in Rhode Island

Section IV **Page 33**
**Case-Study: The Impact of Property Wealth on
Local Property Tax Levies and Education Finance**

Section V **Page 41**
RIPEC Recommendations

Section VI **Page 47**
Appendix – Municipal Tables

Section I – What This Report Means to Rhode Island

From 1970 through 2000, Rhode Island has experienced significant changes. While the State's population has remained essentially the same during this period, where Rhode Islanders are living has changed. The State's population has shifted from the urban centers to the surrounding suburban and rural communities. In addition, the State's property value, while increasing statewide over the past 30 years, has followed the population, shifting from urban centers to the outlying non-urban communities. The population and property value shifts have resulted in the consumption of nearly 65,800 acres of new land for residential, commercial and industrial purposes.

Statewide, Rhode Island property values (adjusted for inflation) increased by 126.6 percent (\$33.5 billion) from FY 1970 to FY 2000, increasing at an average annual rate of 4.2 percent. However, among urban communities, property values increased at an average annual rate of 2.2 percent, while non-urban communities experienced an average annual rate of growth of 7.6 percent.

In addition, of the \$33.5 billion increase in property value over the 30-year period, nearly 67.8 percent of the increase occurred in non-urban areas. This resulted in a shift in where the State's property value is located. In FY 1970, approximately 63.0 percent of the State's property value was located in urban communities. This has since declined to 45.7 percent in FY 2000.

Changes in residential property value have had the greatest impact on the State's property wealth. Of the \$33.5 billion increase in property values, nearly 81.0 percent of the growth occurred in residential property. Approximately 15.0 percent occurred in commercial property values. The State's industrial property values experienced a net decline of \$0.7 billion during this 30-year period. The \$2.2 billion balance was in motor vehicle and other property values.

Statewide, residential property values increased at an average annual rate of 6.0 percent, while commercial property values increased by 3.8 percent annually. Therefore, the share of property value contained in residential use throughout the State has increased from 56.4 percent in FY 1970 to 70.0 percent in FY 2000. Commercial property values as a percent of all property value has decreased from 16.6 percent in FY 1970 to 15.7 percent in FY 2000. Industrial property values decreased from 9.3 percent of the State's property wealth to 2.9 percent in FY 2000.

Land use trends also show interesting patterns of development. For example, of the 65,800 additional acres of land consumed for residential, commercial and industrial uses during this 30-year period, nearly 85.0 percent was used for additional residential purposes. The 15.0 percent balance was for commercial and industrial uses.

In addition, of the 65,800 additional acres consumed during this period, nearly 86.0 percent (56,500 acres) was consumed in the State's suburban and rural communities. What is also interesting is that of the additional 56,500 acres consumed in suburban and rural communities, nearly 90.0 percent was consumed to support residential uses.

Statewide, property value per acre increased from \$38,100 in FY 1970 to \$86,900 in FY 2000 – representing an average annual growth rate of 4.3 percent. However, the average property value per acre in urban core communities grew at an average annual growth rate of 1.1 percent, whereas the suburban average annual rate of growth was 7.1 percent.

As one can imagine, these trends have a range of social and fiscal implications on both the urban and non-urban areas. For example, the influx of new residents in non-urban communities puts additional pressures on municipal services and schools, as well as on virgin land. These pressures have encouraged suburban and rural communities to pursue actions that deter certain types of growth, such as limiting multi-family housing and small residential lots, as well as land use policies that may be inappropriate or inefficient.

Conversely, the loss of population and property value in urban centers has resulted in the under-utilization of infrastructure and assets already in place. The rapid decline in industrial property values over the past 30-year period in these communities has resulted in abandoned and deteriorated buildings and vacant lots. This has had an adverse impact on the quality of life and the wealth-generating capacity of these neighborhoods.

The analysis discussed in this report demonstrates that residential choice in the State is the driving factor behind the shifts in where the property wealth in the State exists and where Rhode Islanders have consumed the greatest amount of land. Residential development is responsible for 85.0 percent of the additional consumed land since 1970. Rhode Island's small size permits the population to locate almost anywhere in the State and still commute a relatively short distance to employment centers in urban Rhode Island. For every new \$1.00 in real property wealth in the State created from FY 1970 to FY 1995, \$0.81 occurred as a result of residential development.

It is clear that residential property value and uses have been the linchpin of the changing forces impacting local government and the quality of life in the State. Residential property value as a percent of all property value in suburban and rural communities increased from 63.7 percent in FY 1970 to 80.9 percent in FY 2000. Commercial property increased from 10.5 percent in FY 1970 to 10.8 percent in FY 2000. Industrial property values actually decreased from 6.6 percent in FY 1970 to 3.0 percent in FY 2000. Therefore, growth in residential property wealth in non-urban communities has been the driving force behind the shift in property wealth in the State.

The changes in land use reflect a similar phenomenon. Residential land use as a percentage of all land use in suburban and rural communities increased from 9.2 percent in FY 1970 to 17.6 percent in FY 2000. Commercial and industrial land use as a percentage of all land use in suburban and rural communities increased from 0.8 percent in FY 1970 to 1.8 percent in FY 2000.

When one looks at Rhode Island communities, the impact from the shifts in values between communities and between classes of property becomes apparent over time. As the urban communities experienced declines in values, particularly in industrial land values, additional pressure was put on residential properties to continue to meet City budget demands. With slow or little growth in City property wealth, higher tax rates were required to meet budget needs. These communities continue to have higher effective tax rates as well as lower tax capacities relative to other communities (See RIPEC Report – *FY 2002 Property Tax Burdens in Rhode Island*). In addition, the gap between residential value and commercial/industrial value grew, spurring several cities to pursue and implement property tax classification systems designed to alleviate some of the burden shifting to homeowners.

The limited tax capacity in urban poor communities perpetuates higher tax rates to provide sufficient funds to meet a wide range of obligations. Although urban municipalities differ in specific ways, it is clear that they generally lack the fiscal capacity to address basic educational and municipal needs.

Conversely, in the suburban and rural settings, municipalities were experiencing a different aspect of the same problem. Several of these communities have had their school enrollments increase, their open space consumed for new residential purposes, and their budgets expanded to deliver municipal services that many were used to from their lives in urban Rhode Island. Therefore, some communities may have pursued planning and zoning techniques to attempt to manage and direct the growth. Because these communities are essentially bedroom communities in the Greater Providence metropolitan area, they rely primarily on residential property wealth to finance local services. And as noted earlier, it has been the rapid growth in residential property wealth – not commercial or industrial property wealth - that has been the key to increasing their tax base.

Given the findings outlined in this analysis, it is clear that Rhode Island's municipalities, whether they are urban or non-urban, are facing different facets of the same problem, albeit for different reasons. All Rhode Island communities are facing the problem of increasing property tax burdens on homeowners. Urban centers are dealing with this because of the limited growth in overall values compared to municipal needs and non-urban communities are dealing with the problem because of the influx of population and increased demand for services.

What is interesting about this phenomenon in Rhode Island is that the shift in property wealth and the consumption of land in the Ocean State has been due to residential location decisions, not the location decisions of commercial and industrial base.

One of the consequences of the impact residential development has had is the impact on school funding. Approximately 60 percent of Rhode Island's public education expenditures are supported with property taxes, with the balance essentially coming from State funds. Among the 39 communities, this funding ratio varies, with urban communities receiving a greater percentage of their funding from the State.

What has been apparent from these trends is that the overall property value in suburban and rural communities continues to grow at a faster rate than the urban communities. This has widened the gap between the urban and non-urban communities' abilities to fund locally financed services – especially schools. Urban communities are faced with a smaller portion of the State's overall property wealth but with a student population that faces greater economic and social challenges than in suburban and rural communities (See RIPEC Publication – *Results 2001*).

Coupling these two key issues – limited fiscal capacity and concentrations of students in need – demonstrates that urban communities face a difficult dilemma. These communities are increasingly unable to meet the demands on their education systems. The State has made progress in assisting these communities by targeting State aid to these communities. However, if the population and property value trends continue, these communities will continue to struggle.

To meet the local share of school funding, the urban communities have few options. The cities already have higher property tax burdens as compared to the rest of the State, and they rely on residential wealth to fund more than half of their budgets. Additional taxes could potentially make it more difficult to attract and retain homeowners. Retaining homeowners is essential because it translates into more stable neighborhoods, and enhanced property values. Increases in property taxes would continue to put this element of urban neighborhoods at risk.

In addition, the urban communities have other non-school demands on their budgets. For example, police and fire protection provided to support residential as well as the State's commercial and industrial core requires substantial investments. With the slower rate of growth in property values in urban communities, their ability to sustain these investments is jeopardized.

The non-urban communities have a different kind of pressure on their municipal and school programs. Some of the non-urban school systems, while small in comparison to many urban school systems, have also experienced growth. This places demands on capital and operational budgets to meet the needs of these new students. What the suburban communities do have that urban communities do not is growth in residential property values. This growth has been the primary source of new revenues for suburban and rural communities to support the increasing demands on schools. While the additional residential development puts pressure on public safety needs, it is the school budget that is driving local costs in these communities to increase.

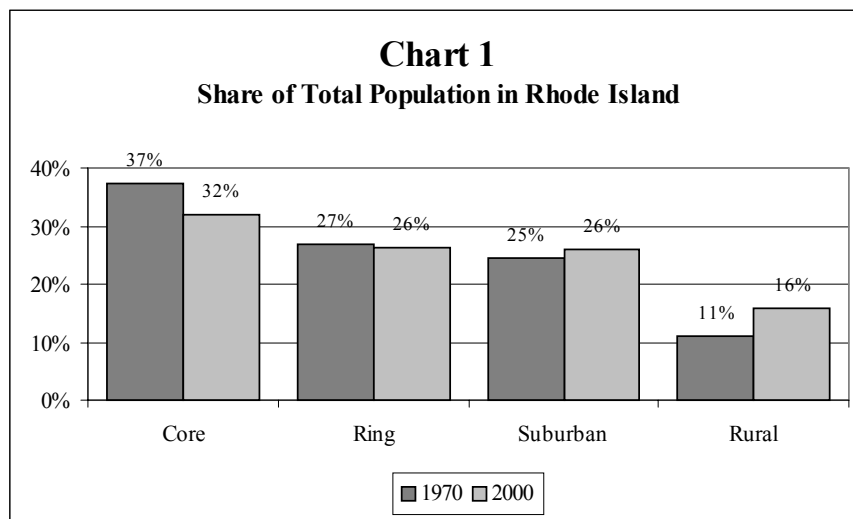
It should be noted that suburban and rural communities provided for most of their additional service demands through additional property taxes. For example, suburban and rural resources available for expenditure from FY 1970 to FY 2000 increased by \$317.0 million – from \$231.1 million in FY 1970 to \$548.1 million in FY 2000. Nearly 80.0 percent of the net increase in State and local resources for education for suburban and rural communities was derived from the local property tax.

Section II – Property Values in Rhode Island

The following analysis uses estimated full value of property (adjusted for inflation) when looking at property values and trends. Full value is the estimated value of property assuming that the property was sold in the marketplace whereas assessed value is based on value established during the most recent revaluation conducted by the municipality. Therefore, as time goes on, property may become more or less valuable than it was when the revaluation was conducted. Using estimated full value of property avoids the dilemma of different revaluation timelines for each community.

This analysis also looks at property value per capita. Property value per capita is based on the estimated full value of property divided by the population provided by the U.S. Census. Therefore, when one is comparing these values among types of communities and among all 39 cities and towns, one must note that the measure is a function of changes in both value and population.

Population in Rhode Island increased by 10.5 percent from FY 1970 to FY 2000 – from nearly 950,000 persons to approximately 1,050,000 persons. However, population growth patterns varied among the State’s communities.

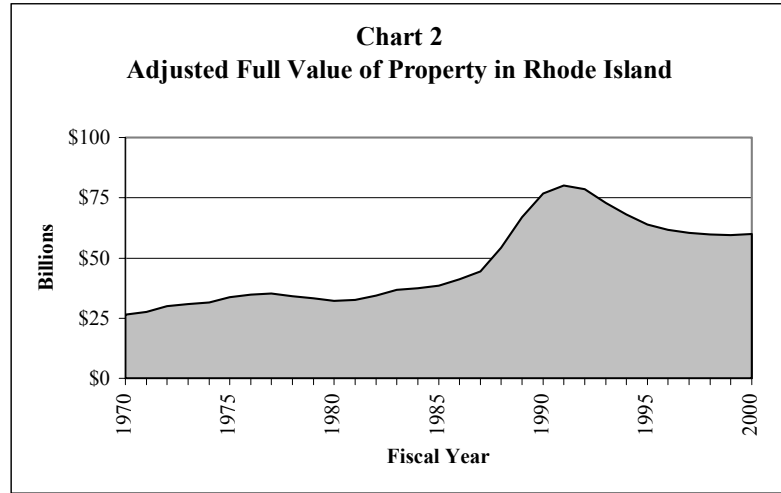


The State’s urban core’s population decreased from 355,292 in 1970 to 335,203 in 2000, representing a 20,100-person decline. Urban ring communities experienced a net gain in population of 20,900 – an 8.2 percent increase. Suburban communities experienced a net gain of 38,200 persons – an increase of 16.4 percent. The State’s rural communities experienced the largest gain, increasing by 60,500 persons or 57.1 percent.

Given these population trends, the share of total State population by type of community has changed. The State’s urban core’s share experienced the greatest decline, from 37.4 percent in 1970 to 32.0 percent in 2000. Rhode Island’s rural communities’ share demonstrated the greatest gain in relative share of population, increasing from 11.2 percent in 1970 to 15.9 percent in 2000.

Property Values – Statewide:

Statewide property values (adjusted for inflation) increased from \$26.4 billion in FY 1970 to \$59.9 billion in FY 2000 – a net increase of \$33.5 billion over the 30-year period. Property values experienced the greatest rate of growth in the late 1980s, peaking in FY 1991 at \$80.0 billion. However, since, FY 1991, there has been



rapid deterioration of property values statewide. Since FY 1991, the statewide adjusted property value has declined to \$59.9 billion in FY 2000 - a \$20.1 billion decline over the past decade (a 25.0 percent decline). Approximately 66.0 percent (\$13.2 billion) of the net decline in the State's property value from FY 1991 to FY 2000 was due to declines in property values in the urban core and urban ring communities.

Residential property values declined by 20.0 percent from FY 1991 to FY 2000, experiencing a \$10.4 billion decline over this period. Residential property value decline represented approximately 52.0 percent of the net property value decline statewide. Two-thirds of the residential property value decline occurred in the 10 urban communities.

Commercial property values declined from \$14.2 billion in FY 1991 to \$9.4 billion in FY 2000 - a net decline of 33.5 percent (\$4.8 billion). Commercial property value declines represented nearly 24.0 percent of the net property value decline experienced statewide. Nearly 70.0 percent of the net decline in commercial property values since FY 1991 occurred in the 10 urban communities.

Industrial property values declined by \$1.7 billion during this period - representing a 50.0 percent decline in industrial property value statewide since FY 1991. Approximately 8.0 percent of the net decline in statewide property values were in industrial property wealth. Approximately two-thirds of the decline in industrial property wealth since FY 1991 occurred in the 10 urban communities.

As Table 1 below shows, adjusted full value of all taxable property (includes all classes of property – residential, commercial, industrial and other) increased from \$26.4 billion in FY 1970 to \$59.9 billion in FY 2000. This \$33.5 billion increase represented a 126.6 percent increase over this 30-year period – an average annual growth rate of 4.2 percent.

Statewide, residential property values increased by \$27.0 billion - a 181.1 percent increase statewide. Therefore, residential property values increased at an average annual rate of 6.0 percent during this period. The \$27.0 billion increase in residential property growth represented 80.6 percent of all property value growth Statewide (\$33.5 billion).

Table 1
Change in Estimated Full Market Value of Property - 1970 - 2000
(Millions - Adjusted for Inflation)

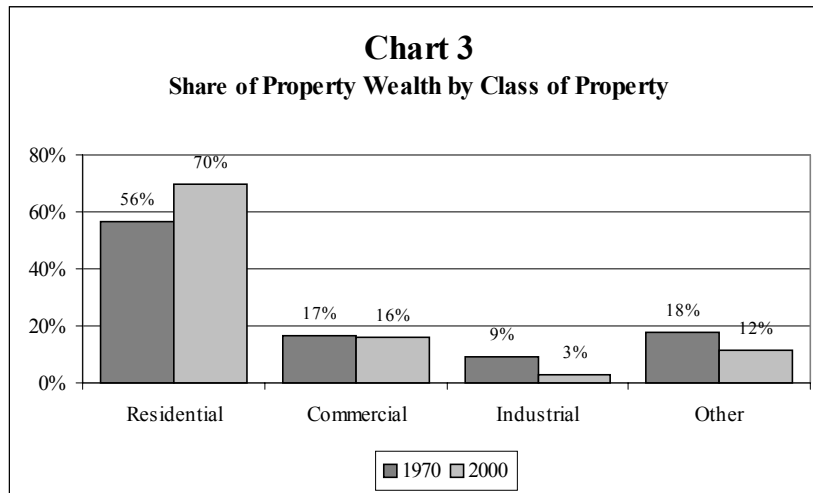
Class	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Share of Change
Residential	\$14,891.8	\$41,863.8	\$26,972.0	181.1%	6.0%	80.6%
Commercial	4,378.3	9,411.0	5,032.6	114.9%	3.8%	15.0%
Industrial	2,448.1	1,718.7	(729.4)	-29.8%	-1.0%	-2.2%
Other	4,706.9	6,888.3	2,181.4	46.3%	1.5%	6.5%
Total	\$26,425.1	\$59,881.7	\$33,456.6	126.6%	4.2%	-
<i>Per Capita</i>						
Residential	\$15,695	\$39,934	\$24,239	154.4%	5.1%	82.8%
Commercial	4,615	8,977	4,363	94.5%	3.2%	14.9%
Industrial	2,580	1,639	(941)	-36.5%	-1.2%	-3.2%
Other	4,961	6,571	1,610	32.5%	1.1%	5.5%
Total	\$27,851	\$57,122	\$29,271	105.1%	3.5%	-

Source: RIPEC Calculations based on Municipal Affairs Data

Commercial property values increased by \$5.0 billion during this 30-year period – an increase of 114.9 percent. This translates to an average annual growth rate of 3.8 percent during this period. The \$5.0 billion in commercial property value growth represented 15.0 percent of all property value growth Statewide (\$33.5 billion).

Industrial property values across the State decreased by \$0.7 billion - from \$2.4 billion in FY 1970 to \$1.7 billion in FY 2000. The decline in industrial property values represented a 30.0 percent net decrease statewide or an average annual rate of decline of 1.0 percent. Other property values (e.g. motor vehicles and utilities) increased by 46.3 percent, representing approximately 6.5 percent of all property value growth Statewide.

The different growth rates among the various classes of property shifted a greater emphasis on residential property value. Residential property value represented nearly 70.0 percent of all property value in the State in 2000 – up from 56.0 percent in 1970. Commercial property values as a percentage of total property value declined to 16.0 percent of the State’s total property value. Industrial property values have declined from 9.0 percent in 1970 to 3.0 percent in 2000. The balance of the property value is made up of motor vehicles and utilities.



Property value per capita statewide increased from \$27,851 in FY 1970 to \$57,122 in FY 2000 – representing a 105.1 percent increase over the 30-year period. This translates into an average annual rate of growth per capita of 3.5 percent. The rate of property wealth growth on a per capita basis is slightly lower because of a slight increase in population.

Property Value Changes by Type of Community:

Of the \$33.5 billion in new property wealth in the State since FY 1970, 32.3 percent (\$10.8 billion) was located in urban communities (urban core and urban ring) while 67.7 percent (\$22.6 billion) was in non-urban Rhode Island (suburban and rural). While these general trends demonstrate the shift of property wealth towards non-urban Rhode Island, there are a number of patterns within each of the four categories of communities that are worth noting.

Urban Core: As Table 2 shows, urban core property values increased from \$9.3 billion in FY 1970 to \$12.4 billion in FY 2000 – a 32.8 percent increase. This translates to an average annual growth rate of 1.1 percent during this period – the slowest among the four types of communities. The \$3.1 billion net increase in urban core property value growth represented 9.1 percent of all property value growth Statewide (\$33.5 billion).

The urban core’s property wealth per capita increased by 40.7 percent – less than half the rate of growth for the State as a whole (105.1 percent). In FY 1970, the urban core property value per capita of \$26,200 was 94.1 percent of the property value per capita statewide (\$27,900). In FY 2000, the urban core’s property value per capita of \$36,900 was 64.6 percent of the property value per capita statewide (\$57,100).

Urban Ring: Property values increased from \$7.3 billion in FY 1970 to \$15.0 billion in FY 2000 – surpassing the urban core communities in overall property wealth. Urban Ring communities experienced a 107.1 percent increase during this 30-year period - an average annual growth rate of 3.6 percent. The \$7.8 billion increase in urban ring property growth represented 23.3 percent of all property value growth Statewide.

Table 2
Change in Estimated Full Market Value of Property
By Community Type - 1970 - 2000
(Millions - Adjusted for Inflation)

Class	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Share of Change
Urban Core	\$9,310.4	\$12,365.5	\$3,055.1	32.8%	1.1%	9.1%
Urban Ring	7,264.2	15,047.1	7,782.9	107.1%	3.6%	23.3%
Suburban	6,682.8	20,346.0	13,663.2	204.5%	6.8%	40.8%
Rural	3,167.7	12,123.0	8,955.3	282.7%	9.4%	26.8%
Total	\$26,425.1	\$59,881.7	\$33,456.5	126.6%	4.2%	-
<i><u>Per Capita</u></i>						
Urban Core	\$26,205	\$36,889	\$10,685	40.8%	1.4%	36.5%
Urban Ring	28,504	54,567	26,062	91.4%	3.0%	89.0%
Suburban	28,718	75,105	46,388	161.5%	5.4%	158.5%
Rural	29,892	72,829	42,937	143.6%	4.8%	146.7%
Total	\$27,851	\$57,122	\$29,271	105.1%	3.5%	-

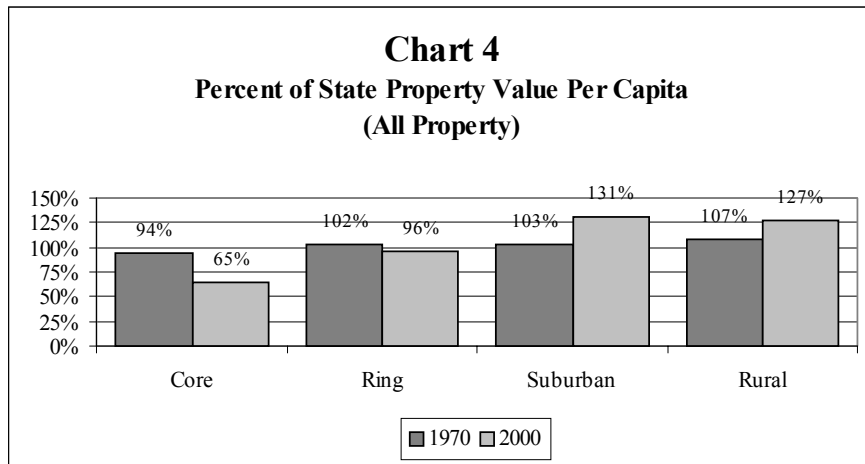
Source: RIPEC Calculations based on Municipal Affairs Data

Urban ring communities continued to reflect the State average over this 30-year period. The urban ring's property wealth per capita increased by 91.4 percent. In FY 1970, the urban ring's property value per capita of \$28,500 was 2.3 percent above the State property value per capita, but has since declined to 4.5 percent below the State property value per capita in FY 2000.

Suburban: Property values in suburban Rhode Island increased by \$13.7 billion - from \$6.7 billion in FY 1970 to \$20.3 billion in FY 2000. This 204.5 percent increase translates to an average annual growth rate of 6.8 percent during this period. The \$13.7 billion increase in suburban property growth represented 40.8 percent of all property value growth Statewide.

The suburban property wealth per capita increased by 161.5 percent - translating into an average annual rate of growth of 5.4 percent over this period of time. In FY 1970, the suburban communities' property value per capita of \$28,700 was 3.1 percent above the State property value per capita. In FY 2000, the suburban property value per capita of \$75,100 was the highest among the four types of municipality and 31.5 percent higher than the State property value per capita.

Rural: Property values in Rhode Island's rural communities increased from \$3.2 billion in FY 1970 to \$12.1 billion in FY 2000 - a 282.7 percent increase. This translates to an average annual growth rate of 9.4 percent during this period - twice the statewide rate of

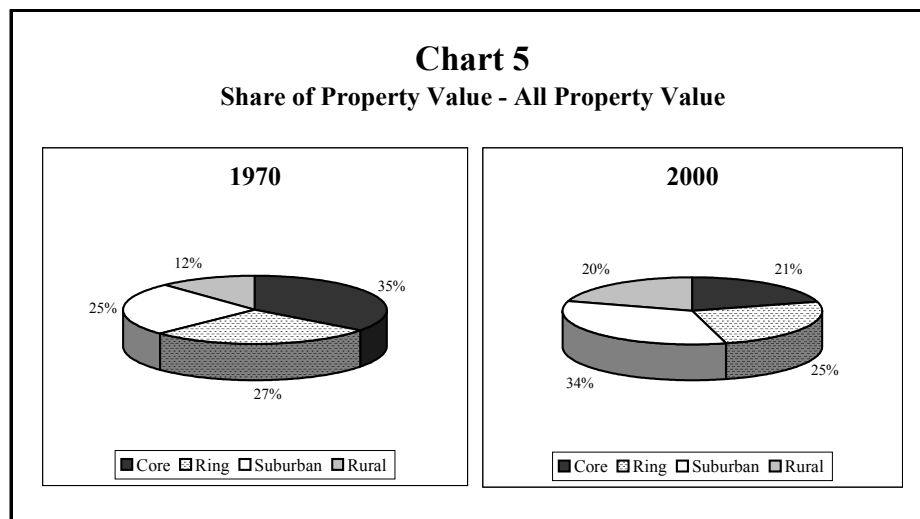


growth. The \$9.0 billion increase in rural property growth represented 26.8 percent of all property value growth Statewide. Rural property wealth per capita increased by 143.6 percent over the 30-year period - an average annual rate of growth of 4.8 percent. Rural property value per capita in FY 1970 of \$29,900 was 7.3 percent above the State property value per capita, and increased 27.5 percent higher than the State property value per capita in FY 2000.

Shifts in Values within Types of Property and Community:

Another way to look at the change in adjusted total value in the State is by the share of the total statewide property value by type of community. In FY 1970, urban core communities represented 35.2 percent of all property value in the State. This has since declined to 20.6 percent in FY 2000. The share of property value in urban ring communities declined from 27.5 percent in FY 1970 to 25.1 percent in FY 2000.

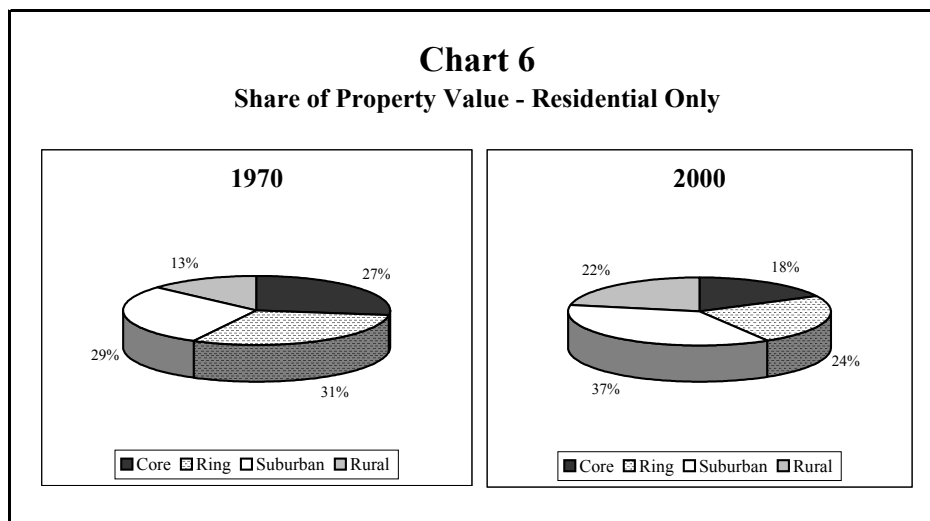
Suburban communities' share of the total property value in the State increased from 25.3 percent in FY 1970 to 34.0 percent and rural communities' share increased from 12.0 percent to 20.2 percent during this 30-year period.



Residential: Due to the significant growth in residential values (\$27.0 billion) compared to other classes of property, residential property value as a percent of all property value statewide has increased from 56.4 percent in FY 1970 to 70.0 percent in FY 2000. Where this growth in residential property occurred is important to trends in property wealth in the State. Of the \$27.0 billion in residential property value growth:

- 12.3 percent (\$3.3 billion) was in the urban core;
- 19.9 percent (\$5.4 billion) was in the urban ring;
- 41.0 percent (\$11.1 billion) was in the suburbia; and
- 26.8 percent (\$7.2 billion) was in rural Rhode Island

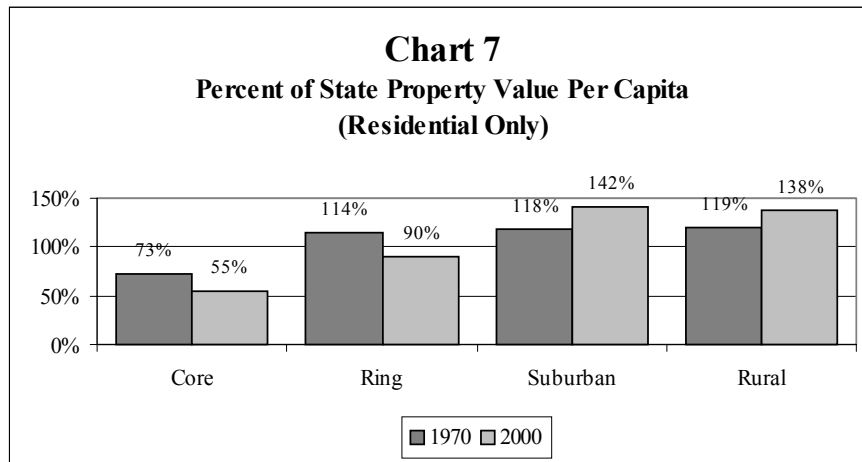
The urban core’s share of the residential property value statewide has declined from 27.2 percent in FY 1970 to 17.6 percent in FY 2000. The urban ring’s share of residential property wealth has also declined – from 30.6 percent in FY 1970 to 23.7 percent in FY 2000. The suburban share of residential property value has increased from 28.8 percent in FY 1970 to 36.7 percent in FY 2000, while rural Rhode Island has increased its share of residential property value from 13.4 percent in FY 1970 to 22.0 percent in FY 2000.



Residential property value per capita statewide increased from \$15,700 in FY 1970 to \$39,900 in FY 2000 – representing a 154.4 percent increase over the 30-year period. This translates into an average annual rate of growth per capita of 5.1 percent – the fastest growing class of property statewide. However, there have been different rates of growth depending on the type of municipality, and therefore, various growth patterns have had significant impacts on the share of residential property wealth contained within the different types of Rhode Island communities.

Urban Core: Urban core residential property wealth per capita increased from \$11,400 in FY 1970 to \$22,000 in FY 2000 – a 92.8 percent increase. The average annual rate of growth was 3.1 percent over this period of time. As a result, the urban core’s residential property value per capita declined as a percent of the State residential property value per capita from 73.0 percent in FY 1970 to 55.0 percent in FY 2000.

Urban Ring: While residential property wealth per capita increased by 101.1 percent (from \$17,900 in FY 1970 to \$36,000 in FY 2000), their relative residential wealth to the State residential property value per capita declined from 114.0 percent in FY 1970 to 90.0 percent in FY 2000.



Suburban: The suburban residential property wealth per capita increased from \$18,500 in FY 1970 to \$56,700 in FY 2000 - increasing by 207.3 percent. This translated into an average annual rate of growth of 6.9 percent over this period of time. In FY 1970, residential property value per capita was nearly 18.0 percent above the State residential property value per capita, and increased to 42.0 percent above the State in FY 2000.

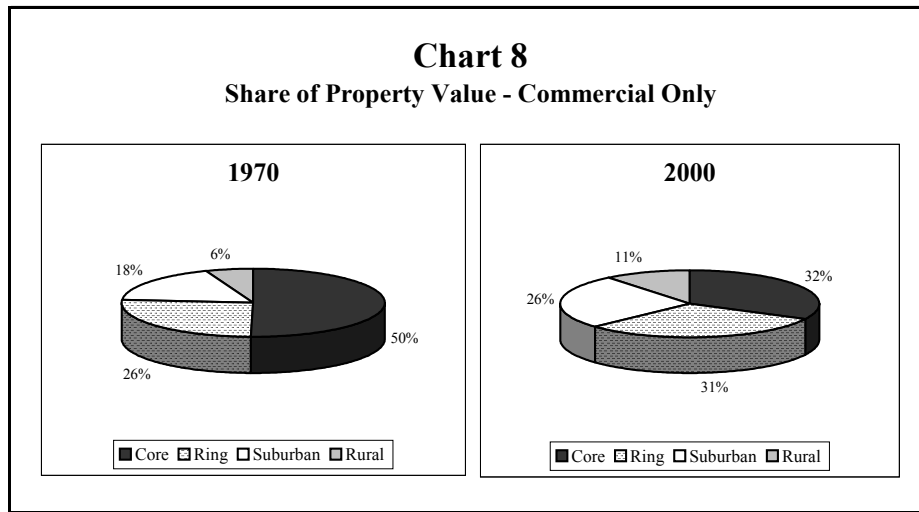
Rural: Rural residential property wealth per capita grew by 195.7 percent. This translated into an average annual rate of growth of 6.5 percent over this period of time. In FY 1970, the rural communities' residential property value per capita (\$18,700) was the highest in the State and was 119.1 percent of the State residential property value per capita. In FY 2000, the rural residential property value per capita (\$55,300) remained the highest in the State and was 138.4 percent of the State.

Commercial: While commercial property values statewide increased by \$5.0 billion over the 30-year period, the commercial property value as a percent of all property value in the State has remained essentially the same – decreasing slightly from 16.6 percent in FY 1970 to 15.7 percent in FY 2000. However, there are differences in where the growth has occurred. Of the \$5.0 billion increase in commercial property value growth:

- 17.1 percent (\$0.9 billion) was in the urban core;
- 34.6 percent (\$1.7 billion) was in the urban ring;
- 33.4 percent (\$1.7 billion) was in the State's suburban communities; and
- 14.9 percent (\$0.8 billion) was in rural communities.

This trend has had an impact on the share of commercial property wealth within the different types of Rhode Island communities. The largest shift in the location of commercial property wealth is from urban core communities to urban ring and suburban communities. The urban core had half of the total commercial property value in the State

located within their borders in FY 1970. This has since decreased to approximately 32.0 percent in FY 2000. The urban ring’s share of the State’s commercial property wealth increased from 26.3 percent in 1970 to 30.7 percent in FY 2000.



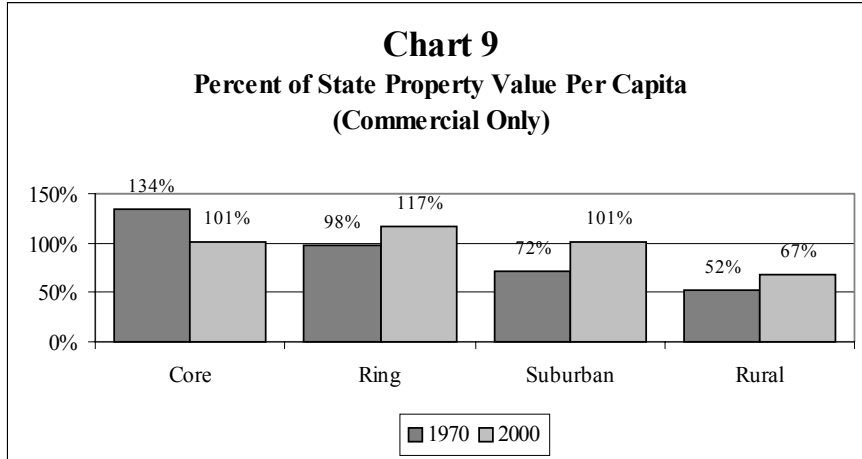
Suburban and rural communities also shared in the growth in commercial property wealth. Suburban communities’ share of commercial property value statewide increased from 17.8 percent in FY 1970 to 26.1 percent in FY 2000 while rural communities’ share increased from 5.8 percent in FY 1970 to 10.7 percent in FY 2000.

On a per capita basis, statewide commercial property value increased from \$4,600 in FY 1970 to \$9,000 in FY 2000 – representing a 94.5 percent increase over the 30-year period. This translates into an average annual rate of growth per capita of 3.2 percent.

Urban Core: In FY 1970, commercial property value per capita (\$6,200) was 134.0 percent of the State average. While commercial property value per capita in urban core communities increased to \$9,100 in FY 2000, it now represents 101.5 percent of the State average. The urban core’s commercial property wealth per capita increased by 47.5 percent. The average annual rate of growth was 1.6 percent over this period of time.

Urban Ring: The urban ring’s commercial property wealth per capita increased by 132.4 percent. The average annual rate of growth was 4.4 percent over this period of time. The urban ring overtook the urban core in having the highest commercial property value per capita. The urban ring’s commercial property value per capita (\$4,500) in FY 1970 was 97.8 percent of the State average. It has increased to \$10,500 in FY 2000, which was 17.0 percent higher than the State average.

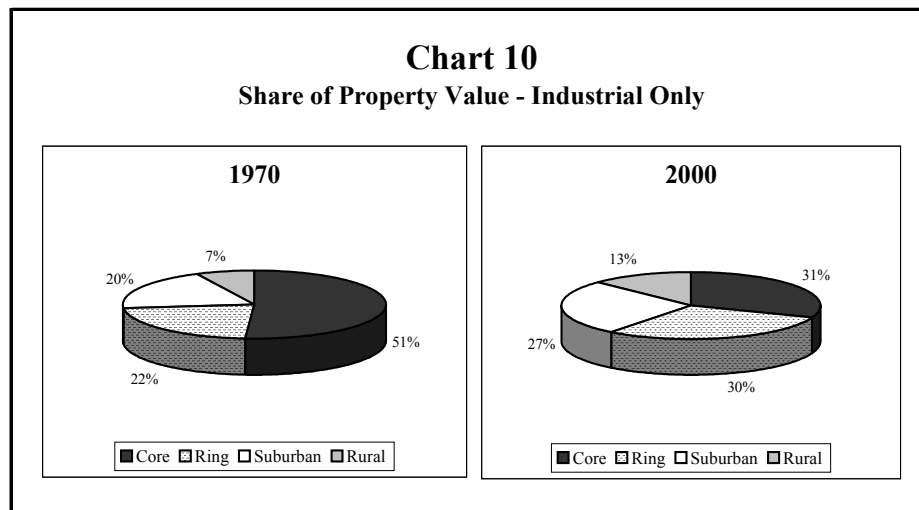
Suburban: The suburban commercial property wealth per capita grew by 171.6 percent over the 30-year period – at an average annual rate of growth of 5.7 percent. In FY 1970, the suburban communities’ commercial property value per capita (\$3,300) was 72.4 percent of the State average. In FY 2000, the suburban commercial property value per capita (\$9,100) was 101.1 percent of the State average.



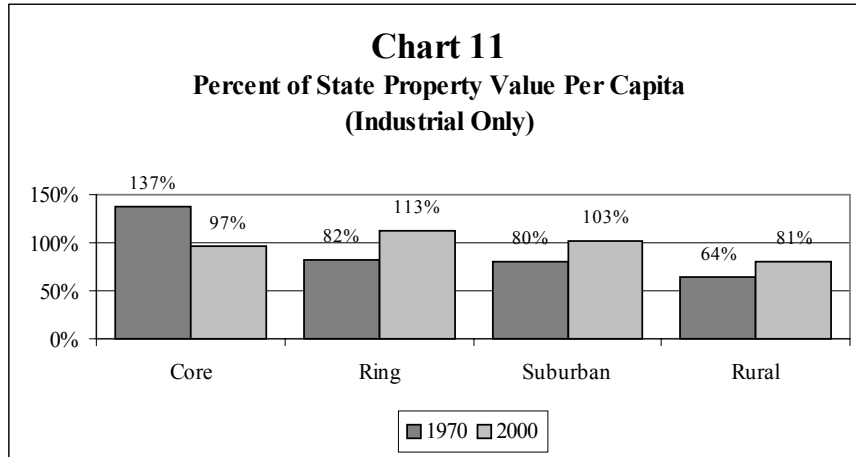
Rural: The rural commercial property wealth per capita increased by 151.0 percent. This translated into an average annual rate of growth of 5.0 percent over this period of time. In FY 1970, the rural communities' commercial property value per capita (\$2,400) was 52.3 percent of the State average. In FY 2000, commercial property value per capita (\$6,100) was 67.4 percent of the State average.

Industrial: Industrial property values demonstrated a net decline in value when taking into account inflation, declining by \$0.7 billion over the 30-year period. This resulted in a relative decline in industrial property value as a percent of all property value in the State – from 9.3 percent in FY 1970 to 2.9 percent in FY 2000. The decline in the urban core represented the decline in the State. The declines in values in the urban ring and suburban communities were offset by growth in rural Rhode Island. In other words, of the \$0.7 billion net decline in industrial property wealth:

- Urban core value declined by \$722.2 million;
- Urban ring value declined by \$29.2 million;
- Suburban value declined by \$24.8 million; and
- Rural value increased by \$46.6 million.



In FY 1970, Rhode Island’s urban core communities had 51.2 percent of all the industrial property wealth in the State. This has since declined to 30.9 percent in FY 2000. Urban core communities had a net loss in industrial property values of 57.6 percent (\$722.2 million), decreasing from \$1.3 billion in FY 1970 to \$531.1 million in FY 2000. The relative share of statewide industrial property value shifted to other classes of communities. Urban ring communities experienced a 5.4 percent decrease (\$29.2 million) in industrial property values. However, because of the larger declines in the urban core, the urban ring’s share of industrial property value increased from 22.1 percent in FY 1970 to 29.7 percent in FY 2000.



Suburban communities’ industrial land values decreased by \$24.8 million, representing a 5.2 percent decrease in value. Suburban communities now have 26.5 percent of industrial property value. Rural communities, with total industrial property value of \$220.6 million in FY 2000, experienced net growth of \$46.6 million in industrial property value, representing a 26.8 percent increase from its \$174.0 million base in FY 1970.

Therefore, the urban communities (core and ring) experienced a net decrease in industrial value of \$751.4 million while the non-urban communities (suburban and rural) experienced a net increase of \$21.8 million. Clearly, the dramatic loss of value in the urban core has had an impact on where the net industrial property wealth exists.

Industrial property value on a per capita basis decreased from \$2,600 in FY 1970 to \$1,600 in FY 2000 – representing a 36.5 percent decrease over the 30-year period. There have been different rates of decline/growth depending on the type of municipality – with a significant loss in value in the urban core slightly offset by growth in rural Rhode Island.

Urban Core: The urban core’s industrial property wealth per capita decreased by 55.1 percent from FY 1970 to FY 2000. In FY 1970, the urban core industrial property value per capita (\$3,500) was 137.0 percent of the State industrial property value per capita. Given the rate of decline, the FY 2000 industrial property value per capita of \$1,600 represented 97.0 percent of the State.

Urban Ring: In FY 1970, the industrial property value per capita of \$2,100 was 17.8 percent below the State industrial property value per capita, and had since increased to 13.1 percent higher than the State average. This is while the average industrial property wealth per capita in the urban ring decreased by 12.6 percent over the 30-year period. The urban ring overtook the urban core in having higher industrial property wealth per capita.

Suburban: The suburban industrial property wealth per capita declined by 18.5 percent over the 30-year period. In FY 1970, the suburban communities' industrial property value per capita (\$2,100) was 80.0 percent of the State industrial property value per capita. In FY 2000, the suburban industrial property value per capita (\$1,700) was 2.6 percent higher than the State.

Rural: Despite net growth in industrial property wealth, the rural industrial property wealth per capita declined by 19.3 percent over the 30-year period – principally due to faster rates of growth in population. In FY 1970, the rural communities' industrial property value per capita (\$1,600) was 64.0 percent of the State industrial property value per capita. In FY 2000, the rural industrial property value per capita (\$1,300) was 80.8 percent of the State.

Section III – Land Use Patterns in Rhode Island

Statewide, total acreage distributed among urban and non-urban communities did not significantly change from 1970 to 2000. Urban core communities represent 4.2 percent and urban ring communities represent 8.6 percent. The State’s suburban communities represent 25.6 percent while the rural communities represent nearly two-thirds (61.7 percent) of the land area in the State.

The following analysis considers land use patterns for residential, commercial and industrial purposes only. The land use data is based on information published by Statewide Planning, Grow Smart Rhode Island and RIPEC estimates. Land-use data for 2000 are RIPEC estimates based on land use patterns between 1988 and 1995 (most recent planning data available) and forecasts presented in Grow Smart Rhode Island’s December 1999 report – The Costs of Suburban Sprawl and Urban Decay in Rhode Island. Please note that the estimate for industrial land use may overstate the number of acres for industrial purposes due to the fact that some of these buildings have been converted to commercial and other uses. It may be helpful to compare the industrial land use estimate with property tax classification records for greater detail in each community.

Property Use	1970	2000	Actual Change	Percent Change	Ave Annual Change	Share of Change
Residential	89,142	144,779	55,637	62.4%	2.1%	84.6%
Commerical	7,050	13,676	6,626	94.0%	3.1%	10.1%
Industrial	5,344	8,872	3,528	66.0%	2.2%	5.4%
Subtotal	101,536	167,327	65,791	64.8%	2.2%	-
Other Uses	592,424	521,864	(70,560)	-11.9%	-0.4%	
Total Land	693,960	689,191	(4,769)	-0.7%	0.0%	-

Source: RIPEC calculations based on Statewide Planning Program Data

From 1970 to 2000, residential, commercial and industrial land uses consumed an estimated 65,800 acres of additional land, representing a 64.8 percent increase in land use for these purposes. Of the 65,800 additional acres consumed for residential, commercial and industrial land use, 55,600 acres (84.6 percent) were consumed for residential purposes, 6,600 acres (10.1 percent) for commercial purposes and the 3,500 acre balance (5.4 percent) for industrial purposes.

Urban core communities consumed an additional 989 acres of land for residential, commercial and industrial land use – only 1.5 percent of the total increase. This included a decrease in acreage used for residential purposes (-88.0 acres). Commercial land use increased by 708 acres and industrial uses increased by 369 acres.

Table 4
Change in Land Use - 1970 - 2000
(Acres)

Property Use	Urban Core	Urban Ring	Suburban	Rural	Total	Share of Change
Residential	(88)	5,617	19,972	30,135	55,636	84.6%
Commerical	708	1,662	2,359	1,898	6,627	10.1%
Industrial	369	1,065	1,857	237	3,528	5.4%
Total	989	8,344	24,188	32,270	65,791	-
Share of Change	1.5%	12.7%	36.8%	49.0%	-	-

Source: RIPEC calculations based on Statewide Planning Program Data

Urban ring communities consumed an additional 8,344 acres of land, representing 12.7 percent of the total increase. Of the 8,344 additional acres consumed, approximately 67.3 percent (5,617 acres) was for residential purposes, 20.0 percent was for commercial purposes, and the remaining 12.7 percent was for industrial land use.

Suburban communities consumed 24,188 acres of land, representing 36.8 percent of the increase. Nearly 82.6 percent (19,972 acres) of the 24,188 total acres consumed by suburban Rhode Island was used for residential purposes. Approximately 10.0 percent (2,359 acres) was for commercial purposes and the 7.0 percent balance (1,857 acres) was for industrial purposes.

Rural communities consumed the greatest amount of land acreage for residential, commercial or industrial purposes – 32,270 acres, or 49.0 percent of the increase during this 30-year period. Nearly 94.0 percent (30,135 acres) of the additional acreage consumed was for residential purposes, 5.9 percent (1,898 acres) was for commercial purposes and the 0.7 percent balance (237 acres) was for industrial purposes.

Table 5
Percent of Total Land Use - 1970 - 2000

Community Class	Residential		Commercial		Industrial	
	1970	2000	1970	2000	1970	2000
Urban Core	45.5%	45.6%	7.4%	9.9%	6.4%	7.8%
Urban Ring	34.1%	43.6%	3.8%	6.6%	2.3%	4.1%
Suburban	17.2%	28.9%	1.0%	2.4%	0.8%	1.8%
Rural	5.8%	12.9%	0.2%	0.6%	0.2%	0.2%
Total	12.8%	21.0%	1.0%	2.0%	0.8%	1.3%

Source: RIPEC calculations based on Statewide Planning Program Data

Statewide, the amount of acreage dedicated to residential use increased from 12.8 percent in 1970 to 21.0 percent in 2000. The amount of land dedicated to commercial uses increased slightly from 1.0 percent in 1970 to 2.0 percent in 2000. Land for industrial purposes as a percent of all available land statewide increased from 0.8 percent in 1970 to 1.3 percent in 2000.

Property Values Per Acre

The following analysis reflects changes in property values on a per acre basis. Two essential pieces of information can be derived from the following analysis. First, the gap between urban and suburban property value per acre has narrowed. And second, given that total acreage within each community has not changed much during this 30-year period, the increase in value per acre will be driven almost entirely by changes in value. It should be noted that those municipalities with limited land have higher values per acre.

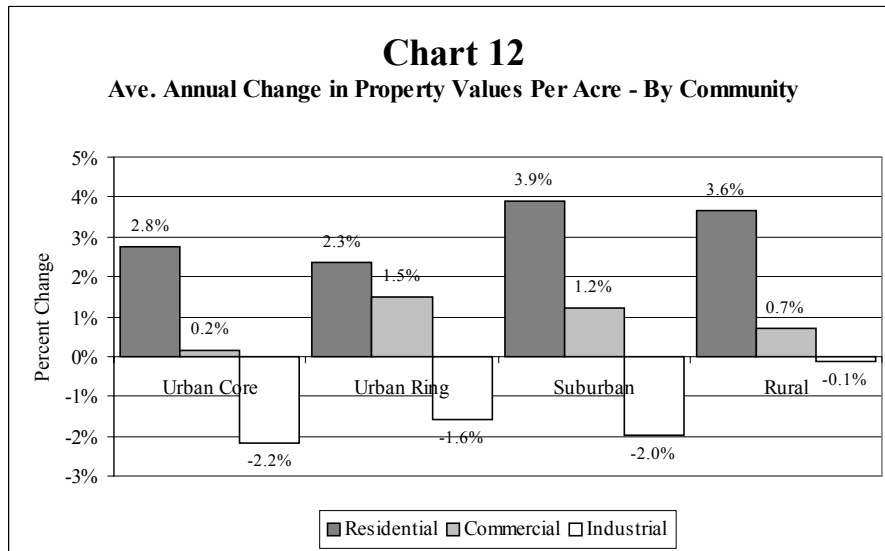
Community Type	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Percent of State	
						1970	2000
Urban Core	\$321,004	\$430,328	\$109,324	34.1%	1.1%	843.0%	495.3%
Urban Ring	122,244	253,772	131,528	107.6%	3.6%	321.0%	292.1%
Suburban	37,054	115,496	78,442	211.7%	7.1%	97.3%	132.9%
Rural	7,450	28,525	21,075	282.9%	9.4%	19.6%	32.8%
State	\$38,079	\$86,887	\$48,808	128.2%	4.3%	-	-

Source: RIPEC Calculations based on Municipal Affairs and RIGIS Data

Statewide, property values per acre increased from \$38,100 in FY 1970 to \$86,900 in FY 2000 – representing a 128.2 percent increase over this 30-year period. Property value per acre in FY 1970 ranged from approximately \$1,500 in West Greenwich to \$421,900 in Providence. In FY 2000, property value per acre ranged from \$9,400 in Foster to \$513,000 in Providence.

Urban core property value per acre increased from \$321,000 to \$430,300 over this 30-year period. This represented a 34.1 percent increase, or at an average annual rate 1.1 percent. Urban core property value per acre ranged from approximately \$159,600 in Newport to \$421,900 in Providence in FY 1970. In FY 2000, property value per acre ranged from \$274,400 in Woonsocket to \$513,000 in Providence.

Property values per acre within the State’s urban ring increased from \$122,200 to \$253,800 over the 30-year period. The 107.6 percent increase translated into average annual growth rate of 3.6 percent. In FY 1970, property value per acre ranged from \$103,300 in West Warwick to \$177,000 in North Providence. Thirty years later, property value per acre ranged from \$223,000 in Cranston to \$401,500 in North Providence.



Suburban property value per acre increased by 21.7 percent over the 30-year period – from \$37,100 to \$115,500. On average, suburban communities’ property value per acre grew at an average annual growth rate of 7.1 percent. Property value per acre in FY 1970 ranged from approximately \$21,300 in Smithfield to \$92,900 in Barrington. In FY 2000, property value per acre ranged from \$69,600 in Smithfield to \$258,000 in Barrington.

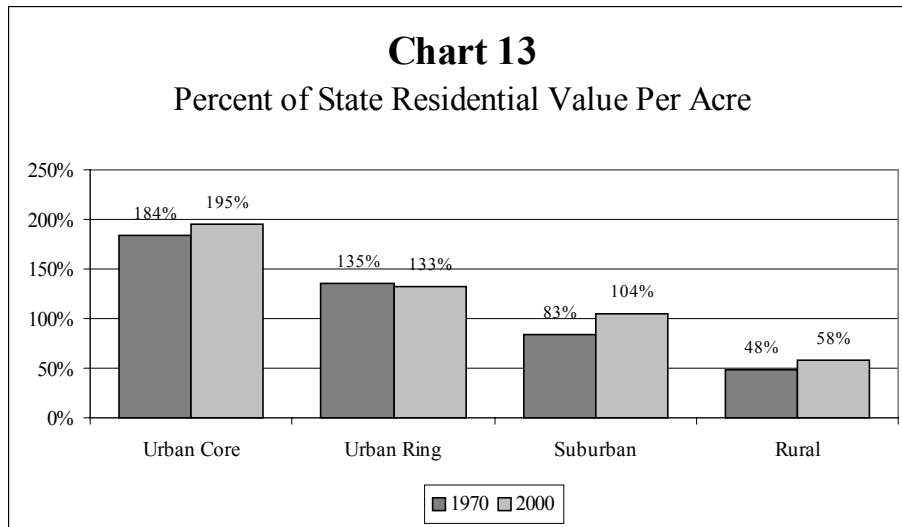
Rural Rhode Island experienced the fastest growth rate throughout the State. Rural property values per acre increased from \$7,500 in FY 1970 to \$28,500 in FY 2000 – representing a 282.9 percent increase over this 30-year period. This translates into an average annual growth rate of 9.4 percent. Property value per acre among rural localities ranged from \$1,500 in West Greenwich to \$19,400 in Tiverton. In FY 2000, property value per acre ranged from \$9,400 in Foster to \$85,600 in New Shoreham.

Residential Property Per Acre: Statewide, residential property values per acre increased from \$167,100 in FY 1970 to \$289,200 in FY 2000 – representing a 73.1 percent increase over this 30-year period. This translates into an average annual growth rate of 2.4 percent.

Table 7 Property Value Per Acre - 1970 - 2000 (Residential Uses Only)

Community Type	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Percent of State 1970	Percent of State 2000
Urban Core	\$307,424	\$562,887	\$255,463	83.1%	2.8%	184.0%	194.7%
Urban Ring	225,133	383,421	158,288	70.3%	2.3%	134.8%	132.6%
Suburban	138,788	301,765	162,977	117.4%	3.9%	83.1%	104.4%
Rural	80,057	167,665	87,608	109.4%	3.6%	47.9%	58.0%
State	\$167,057	\$289,158	\$122,101	73.1%	2.4%	-	-

Source: RIPEC Calculations based on Municipal Affairs and RIGIS Data



Residential property values per acre in the urban core increased from \$307,400 in FY 1970 to \$562,900 in FY 2000 – representing an 83.1 percent increase over this 30-year period. This translates into an average annual growth rate of 2.8 percent. Among the urban ring communities, residential property values per acre increased from \$225,100 in FY 1970 to \$383,400 in FY 2000 – representing a 70.3 percent increase over this 30-year period. This translates into an average annual growth rate of 2.3 percent.

Suburban residential property values per acre increased by 117.4 percent over this 30-year period - from \$138,800 to \$301,800. This translated to an annual growth rate of 3.9 percent. Similarly, rural communities’ property value per acre increased by 109.4 percent over the same period of time - from \$80,100 to \$167,700. This resulted in the same average annual rate of growth (3.6 percent).

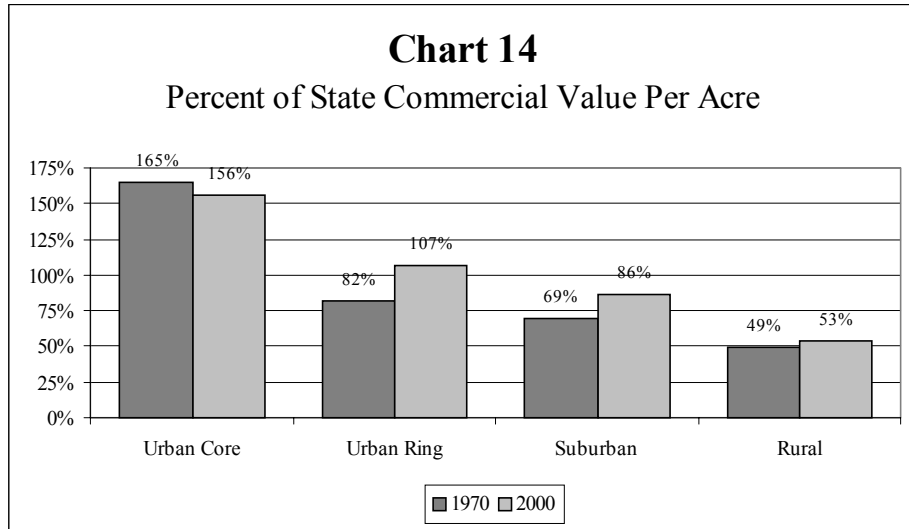
Commercial Property Value Per Acre: From FY 1970 to FY 2000, commercial property values per acre statewide increased from \$621,000 to \$688,100 – representing a 10.8 percent increase over this 30-year period. This translates into an average annual growth rate of less than 1.0 percent.

Table 8
Property Value Per Acre - 1970 - 2000
(Commercial Uses Only)

Community Type	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Percent of State 1970	Percent of State 2000
Urban Core	\$1,025,852	\$1,072,500	\$46,648	4.5%	0.2%	165.2%	155.9%
Urban Ring	507,571	736,223	228,652	45.0%	1.5%	81.7%	107.0%
Suburban	431,331	590,715	159,384	37.0%	1.2%	69.5%	85.8%
Rural	303,548	367,670	64,122	21.1%	0.7%	48.9%	53.4%
State	\$621,039	\$688,143	\$67,104	10.8%	0.4%	-	-

Source: RIPEC Calculations based on Municipal Affairs and RIGIS Data

The urban core experienced the slowest growth among the different types of communities. Over the 30-year period, commercial property values per acre increased by 4.5 percent – from \$1,025,900 to \$1,072,000. Rhode Island’s urban ring communities experienced the greatest growth over the 30-year period. Commercial property value per acre increased from \$507,600 in FY 1970 to \$736,200 in FY 2000. This translated to an average annual growth rate of 1.5 percent.



Suburban communities experienced a 37.0 percent increase in commercial value per acre from FY 1970 to FY 2000. Commercial property values per acre increased from \$431,300 to \$590,700 – translating into an estimated average annual rate of growth of 1.2 percent. Rural Rhode Island experienced a 21.1 percent increase in commercial property value per acre – increasing from \$303,500 in FY 1970 to \$367,700 in FY 2000. This resulted in average annual growth rate of less than 1.0 percent over this 30-year period.

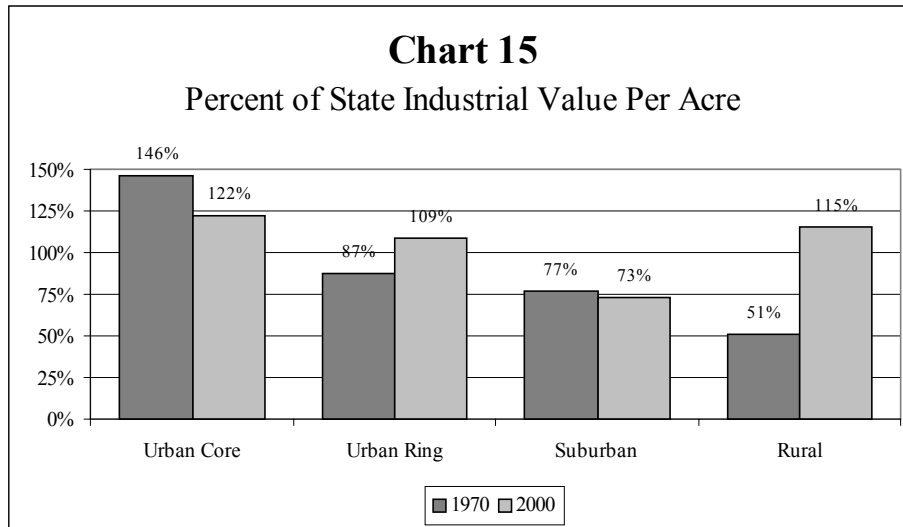
Industrial Property Value Per Acre: Statewide, industrial property values per acre decreased from \$458,100 in FY 1970 to \$193,700 in FY 2000 – representing a net decline in values per acre of 57.7 percent over this 30-year period. This translates into an average annual loss of 1.9 percent.

Table 9
Property Value Per Acre - 1970 - 2000
(Industrial Uses Only)

Community Type	FY 1970	FY 2000	Actual Change	Percent Change	Ave Annual Change	Percent of State 1970	Percent of State 2000
Urban Core	\$670,162	\$237,176	(\$432,986)	-64.6%	-2.2%	146.3%	122.4%
Urban Ring	399,118	211,326	(187,792)	-47.1%	-1.6%	87.1%	109.1%
Suburban	351,214	141,330	(209,884)	-59.8%	-2.0%	76.7%	73.0%
Rural	231,412	223,081	(8,331)	-3.6%	-0.1%	50.5%	115.2%
State	\$458,101	\$193,721	(\$264,380)	-57.7%	-1.9%	-	-

Source: RIPEC Calculations based on Municipal Affairs and RIGIS Data

Urban core communities experienced the greatest loss of property value per acre, declining by 64.6 percent over the 30-year period. Industrial property values per acre decreased from \$670,200 in FY 1970 to \$237,200 in FY 2000. Overall, urban core communities experienced an average annual rate of decline of 2.2 percent. It should be noted that the urban core's average industrial property value per acre was 146.3 percent of the State average in FY 1970. Given the rate of decline, this has since declined to 122.4 percent of the State average in FY 2000.



The five urban ring communities experienced a net decline of 47.1 percent in industrial property value per acre. Industrial property values per acre decreased from \$399,100 in FY 1970 to \$211,300 in FY 2000. This rate of decline essentially translated into an average annual loss of 1.6 percent.

Suburban Rhode Island experienced a similar change in industrial property value per acre reflected in the State's urban ring. Suburban industrial property values per acre decreased from \$351,200 in FY 1970 to \$141,300 in FY 2000 – representing a 59.8 percent decrease over this 30-year period. This translates into an average annual loss of 2.0 percent. Rural communities experienced only a minor decline in industrial property value per acre. Rural communities declined by 3.6 percent over this 30-year period – from \$231,400 in FY 1970 to \$223,100 in FY 2000.

Section IV – Case Study: The Impact of Property Wealth on Local Property Tax Levies and Education Finance

The shift in local property wealth has had a number of impacts on local property tax capacity and tax burdens. Property taxes support nearly 60.0 percent of the expenditures for the State's elementary and secondary education investment. Spending decisions for educational services play a central role in the State-local public finance structure. To explore how these trends have affected public finance issues, the following looks at trends in the local property tax levy and how it relates to changes in education aid from FY 1970 to FY 2000. The analysis then considers these factors in describing the impact on the relative ability to raise adequate funding for public schools.

Local Property Tax Levies: Statewide, the local property tax generated approximately \$1.3 billion in FY 2000, up \$602.8 million from FY 1970 levies (\$732.8 million). As Table 8 shows, this represented an 82.3 percent increase over the 30-year period – translating to an average annual rate of growth of 2.7 percent. The average annual rate of growth in the local property tax levy was nearly half the rate of growth for property value over the same period of time (4.2 percent). Of the \$602.8 million increase, approximately \$256.3 million (42.5 percent) was to support municipal services and the \$346.5 million balance (57.5 percent) was for education services. Statewide, the levy supporting municipal services grew by 70.3 percent over this 30-year period, while school-related levies grew by 94.1 percent.

The rate of growth in the overall property tax levy ranged from 26.8 percent in the urban core to 187.0 percent in rural Rhode Island. The suburban communities experienced the largest share of growth in local property tax levies (38.1 percent), with the urban ring communities picking up nearly 27.0 percent of the growth. The State's five urban core communities' levy growth represented only 12.8 percent of the net growth statewide.

These general trends have translated into a shift in where the local property tax levy is raised since FY 1970. For example, in FY 1970, approximately 39.3 percent of the local property tax levy was generated in the urban core. This has since declined to 27.4 percent. The suburban communities increased their share of the statewide property tax levy from 22.3 percent in FY 1970 to 29.4 percent in FY 2000. Rural communities also picked up a greater share of the local levy – increasing from 9.8 percent in FY 1970 to 15.4 percent in FY 2000. Non-urban Rhode Island has increased local property tax allocations to support both growing municipal services and educational demands.

In reviewing the property tax levy dedicated to support municipal services, a number of trends emerge. First, nearly 56.0 percent of the net increase in property tax levies supporting municipal (non-school) services was derived from urban communities. The \$143.2 million increase in urban property tax levies for municipal services represented a 52.8 percent increase over the 30-year period. Conversely, 44.0 percent of the net increase in property tax levies supporting municipal services was derived from non-urban communities. This \$113.1 million increase represented a 121.0 percent increase over the same period of time.

Given that the suburban and rural communities' property tax levy to support municipal services grew at more than twice the rate of the urban communities, there has been a shift as to where the municipal property tax levy is generated. The urban core and urban ring communities generated approximately 74.4 percent of the local property tax levy statewide that supported municipal services in FY 1970. This has since declined to 66.8 percent in FY 2000. Conversely, the suburban and rural share has increased from 25.6 percent in FY 1970 to 33.2 percent in FY 2000.

Table 10
Local Property Tax Levies
Adjusted for Inflation

Community	Total Property Tax Levy			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$288.3	\$365.5	\$77.2	26.8%	12.8%	39.3%	27.4%
Urban Ring	209.4	371.0	161.7	77.2%	26.8%	28.6%	27.8%
Suburban	163.3	393.1	229.7	140.6%	38.1%	22.3%	29.4%
Rural	71.8	205.9	134.2	187.0%	22.3%	9.8%	15.4%
State	\$732.8	\$1,335.6	\$602.8	82.3%	-	-	-

Community	Municipal Property Tax Levy			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$167.7	\$248.4	\$80.6	48.1%	31.5%	46.0%	40.0%
Urban Ring	103.3	166.0	62.6	60.6%	24.4%	28.4%	26.7%
Suburban	66.3	143.1	76.9	116.0%	30.0%	18.2%	23.1%
Rural	27.2	63.4	36.2	133.0%	14.1%	7.5%	10.2%
State	\$364.5	\$620.8	\$256.3	70.3%	-	-	-

Community	School Property Tax Levy			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$120.6	\$117.2	(\$3.4)	-2.8%	-1.0%	32.7%	16.4%
Urban Ring	106.0	205.1	99.0	93.4%	28.6%	28.8%	28.7%
Suburban	97.1	249.9	152.8	157.4%	44.1%	26.4%	35.0%
Rural	44.6	142.6	98.0	219.9%	28.3%	12.1%	19.9%
State	\$368.3	\$714.7	\$346.5	94.1%	-	-	-

Source: RIPEC calculations based on local property tax certification data

The change in property tax levies to support public schools has shown similar, albeit more striking trends. Of the \$346.5 million in net growth of the local property tax levy supporting schools, nearly 28.0 percent (\$95.6 million) was in urban Rhode Island and

the 72.0 percent balance (\$250.8 million) was in suburban and rural Rhode Island. The rate of growth by type of community type ranged from a real decline of 2.8 percent in the urban core to a 220.0 percent increase in rural Rhode Island.

This has shifted where the property tax levy is supporting public school services. In FY 1970, the urban core allocated \$120.6 million in property tax levies to support public education – nearly 33.0 percent of the total school-related levy statewide. This has since declined to \$117.2 million in FY 2000 – 16.4 percent of the statewide property tax allocation to schools. While the urban ring communities' total levy dedicated to schools increased by \$99.0 million over this period of time (surpassing the urban core's total contribution), their relative share of the statewide school-related property tax levy remained at slightly less than 30.0 percent.

It is in the suburban and rural communities that the growth is most prevalent. Suburban communities allocated \$97.1 million in property tax levies to support schools in FY 1970 – approximately 26.4 percent of the statewide levy supporting schools. This has since increased to \$249.9 million – a third (35.0 percent) of the statewide levy supporting schools. Similarly, rural Rhode Island increased from 12.1 percent of the statewide levy for schools in FY 1970 to 19.9 percent in FY 2000.

Funding Schools - Property Taxes and State Education Aid - Table 11 shows the impact State education aid has had on overall resources available for school services and how it has impacted different types of communities. First, State education aid has increased by \$315.3 million since FY 1970 – from \$199.6 million in FY 1970 (reflected in FY 2000 dollars) to \$514.9 million in FY 2000. This represents a 158.0 percent increase over this 30-year period – or an average annual rate of growth of 5.3 percent. Of the \$315.3 million increase, 61.0 percent went to the five urban core school districts, 17.5 percent to the urban ring school districts, 7.7 percent to the suburban communities and the 13.3 balance went to rural Rhode Island.

This trend in the growth and distribution of education aid has shifted the relative share of aid by type of community. In FY 1970, the urban core school districts had 30.6 percent of the total education aid throughout the State – this has since increased to 49.5 percent. The urban ring communities experienced a slight decline in their relative share – from 24.5 percent in FY 1970 to 20.2 percent in FY 2000. The suburban communities experienced the greatest decline in their relative share of total education aid – decreasing from 28.3 percent in FY 1970 to 15.7 percent in FY 2000. Rural Rhode Island remained essentially unchanged.

Combining State education aid with local property tax levies for school services provides a more complete picture of the total state and local resources for education. Total resources increased from \$567.9 million in FY 1970 to \$1,229.7 million in FY 2000 – a \$661.8 million increase over this 30-year period. This translates into an increase of 116.5 percent – or an average annual rate of growth of 3.9 percent. Over this 30-year period, 52.4 percent of the increase was provided by the property tax levy and 47.6 percent was funded through additional State education aid.

Overall, rural Rhode Island experienced the greatest rate of growth – 180.6 percent, with the urban ring demonstrating the slowest rate of growth – 99.5 percent. The share of the total change in state and local resources was evenly distributed among the four types of communities – ranging from 21.1 percent to 28.8 percent. However there are additional trends worth noting within these figures.

Table 11
State and Local Education Resources
Adjusted for Inflation

Community	Total State & Local Education Funds			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$181.8	\$372.3	\$190.5	104.8%	28.8%	32.0%	30.3%
Urban Ring	155.0	309.2	154.2	99.5%	23.3%	27.3%	25.1%
Suburban	153.7	330.9	177.2	115.3%	26.8%	27.1%	26.9%
Rural	77.4	217.3	139.9	180.6%	21.1%	13.6%	17.7%
State	\$567.9	\$1,229.7	\$661.8	116.5%	-	-	-
Community	School Property Tax Lev			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$120.6	\$117.2	(\$3.4)	-2.8%	-1.0%	32.7%	16.4%
Urban Ring	106.0	205.1	99.0	93.4%	28.6%	28.8%	28.7%
Suburban	97.1	249.9	152.8	157.4%	44.1%	26.4%	35.0%
Rural	44.6	142.6	98.0	219.9%	28.3%	12.1%	19.9%
State	\$368.3	\$714.7	\$346.5	94.1%	-	-	-
Community	State Education Aid			Percent Change	Share of Change	Share of Total	
	1970	2000	Change			1970	2000
Urban Core	\$61.2	\$255.1	\$193.9	317.0%	61.5%	30.6%	49.5%
Urban Ring	49.0	104.2	55.2	112.7%	17.5%	24.5%	20.2%
Suburban	56.6	80.9	24.4	43.0%	7.7%	28.3%	15.7%
Rural	32.9	74.7	41.9	127.4%	13.3%	16.5%	14.5%
State	\$199.6	\$514.9	\$315.3	158.0%	-	-	-

Source: RIPEC calculations based on local property tax certification data

First, the urban core’s net increase of \$190.5 million in total state and local resources for education purposes is a result of an additional \$193.9 million in State education aid and a net decline of \$3.4 million in local property tax levies. Therefore, the State actually provided 101.8 percent of the growth in total state and local resources made available in the urban core during this 30-year period.

The urban ring communities experienced a similar level of total growth –a net increase of \$154.2 million over the 30-year period. Urban ring communities provided 64.2 percent of the growth through an additional \$99.0 million in local property tax levies and 35.8 percent was provided by an additional \$55.2 million in State education aid.

The State’s suburban school districts experienced \$177.2 million increase in State and local resources for schools. The suburban school districts provided 86.2 percent (\$152.8 million) of the net increase with the 13.8 percent (\$24.4 million) balance provided by additional State education aid.

Rural Rhode Island increased State and local education funds by \$139.9 million over this period of time. The local property tax levy provided 70.0 percent (\$86.2 million) and the State provided the 30.0 percent (\$41.9 million) balance through additional education aid.

Education Funding Per Pupil - Another way to look at the change in education aid is on a per pupil basis. The pattern of education aid per pupil discussed below further demonstrates that the State has targeted its education aid to the State’s urban communities. One should note that statewide enrollment declined from 180,050 students in Fall enrollment in FY 1970 to 155,400 in FY 2000, representing a 24,650 decline in enrollment (13.7 percent). Enrollment patterns show that of the four types of communities, only the rural school districts actually gained enrollment over this period of time – a 18.8 percent increase over the 30-year period. The balance of the State experienced declines in enrollment.

State aid per pupil increased from \$1,109 in FY 1970 to \$3,315 in FY 2000 – a \$2,206 increase in State education aid per pupil. In FY 1970, urban core school districts received \$1,126 per pupil on average, which was 1.5 percent above the State average. This increased to \$5,172 per pupil in FY 2000, which was 56.0 percent above the State average. The urban ring communities’ relative share remained approximately 16.0 percent below the State average.

Suburban school districts declined from State education aid per pupil that was 2.6 percent above the State average (\$1,138 per pupil) in FY 1970 to 40.2 percent (\$1,981 per pupil) below the State average in FY 2000. Similarly, rural Rhode Island had state education aid that was 25.5 percent higher (\$1,392 per pupil) than the State average, which had since shifted to 19.6 percent below (\$2,666 per pupil) the State average in FY 2000.

If one combines education aid and local education levies and calculates the estimated per pupil State and local education revenue available, an interesting picture emerges. First, state and local per pupil revenue increased from \$3,154 in FY 1970 to \$7,915 per pupil in FY 2000 – an increase of \$4,761 over the 30-year period. Among the urban core communities, the FY 1970 per pupil revenue represented an amount that exceeded the State average by 6.1 percent. However, in FY 2000, this has declined to 4.7 percent below the State average.

Urban ring communities increased the total state and local revenue per pupil from 6.2 percent below the State average in FY 1970 to 5.2 percent above the State average. Suburban school districts saw little change relative to the state average – staying within 2.0 to 3.0 percent of the State average. Rural school districts experienced a slight decline relative to the State average, falling from 4.0 percent above in FY 1970 to 98.0 percent of the State average in FY 2000.

Table 12
State and Local Education Resources Per Pupil
Adjusted for Inflation

Community	Total State & Local Education Funds			Percent Change	Percent of State	
	1970	2000	Change		1970	2000
Urban Core	\$3,346	\$7,547	\$4,201	125.5%	106.1%	95.3%
Urban Ring	2,957	8,328	5,371	181.6%	93.8%	105.2%
Suburban	3,091	8,097	5,006	161.9%	98.0%	102.3%
Rural	3,281	7,751	4,471	136.3%	104.0%	97.9%
State	\$3,154	\$7,915	\$4,761	151.0%	-	-
Community	School Property Tax Levy			Percent Change	Percent of State	
	1970	2000	Change		1970	2000
Urban Core	\$2,220	\$2,375	\$156	7.0%	108.5%	51.6%
Urban Ring	2,023	5,523	3,500	173.0%	98.9%	120.0%
Suburban	1,953	6,117	4,164	213.2%	95.5%	133.0%
Rural	1,888	5,085	3,197	169.3%	92.3%	110.5%
State	\$2,045	\$4,601	\$2,555	124.9%	-	-
Community	State Education Aid			Percent Change	Percent of State	
	1970	2000	Change		1970	2000
Urban Core	\$1,126	\$5,172	\$4,045	359.2%	101.6%	156.0%
Urban Ring	934	2,805	1,871	200.2%	84.3%	84.6%
Suburban	1,138	1,981	842	74.0%	102.7%	59.8%
Rural	1,392	2,666	1,273	91.5%	125.6%	80.4%
State	\$1,109	\$3,315	\$2,206	199.0%	-	-

Source: RIPEC calculations based on local property tax certification data

The data again shows that urban core communities did not raise more local property tax levies to support schools. Rather, the State provided a significant amount of aid over this period of time. However, this additional aid still did not provide enough to maintain a level of resources that was equivalent to the State average. The urban core's total state and local funding for education of \$7,550 per pupil was approximately 5.0 percent below the State average of \$7,915 per pupil. The urban ring, suburban and rural school districts' local levy investment is what maintained their relative level of investment given the limited increase in education aid for these communities.

There is a rather simple method of explaining how tax rates, property wealth, and tax effort are related, and how they impact a community's ability to raise local property tax resources to support schools. Table 13 includes four ranges of property wealth – very rich, rich, average and poor. If one applied an equal tax rate among the four school districts, each would generate a different amount of revenue per pupil. This calculation also assumes that each district has the same number of pupils. Using this measure, the resulting gap between the wealthy community and the poor community is considerable. If on the other hand the objective were to ensure that there is equal spending per pupil, set at \$1,000 per pupil in this example, each community would have to level different tax rates to generate sufficient funds to meet that need.

Table 13
Impact of Property Value Disparities on School Finance

Various Fiscal Scenarios	Very Rich	Rich	Average	Poor
Taxable Property Value	\$500,000	\$100,000	\$50,000	\$25,000
Equal Tax Rates, Percent of Value	2.0%	2.0%	2.0%	2.0%
Produce Unequal Spending Capacity Per Pupil	\$10,000	\$2,000	\$1,000	\$500
OR				
Equal Spending Per Pupil	\$1,000	\$1,000	\$1,000	\$1,000
Requires Unequal Tax Rates	0.2%	1.0%	2.0%	4.0%

Source: State Policy Reports, Volume 15, Issue 4

Section V. RIPEC Recommendations

The analysis detailed in this report point to a range of issues to be considered in the development of public policies that relate to retaining and attracting wealth into urban Rhode Island and alleviating some of the growth pressure in the suburban and rural regions of the State. Many of the strategies in place and those that need to be implemented will require more effective state-local cooperation.

Rhode Island will need long-term sustainable solutions to the various urban challenges that create and maintain wealth through the investment in local assets. This will require placing the urban agenda in the forefront of state and local policy development so that public investments can be coordinated and targeted. Central to any urban strategy will be investments that regain the use of under-employed land and buildings that will spur economic activity and stabilize and grow the local economic and property wealth base of the central cities.

While the following recommendations do not solve the complex issues resulting from population shifts within the State, they are designed to address some of the issues that directly affect the urban tax base and the quality of life in urban Rhode Island. Successful implementation of these and other programs could translate into positive results for both urban and non-urban Rhode Island.

Attract and Retain Homeownership and Residential Redevelopment in Urban Rhode Island

Ensuring that urban communities provide safe, attractive neighborhoods is critical to developing and retaining homeowners and businesses, which are the primary taxpayers in each community. Therefore, efforts to build strong urban neighborhoods should focus on stabilizing the existing housing stock (both rental and owner-occupied), by making improvements necessary to meet building codes, as well as eliminating abandoned and vacant housing through rehabilitation or demolition. A comprehensive approach to revitalizing urban neighborhoods should include preserving the historic value of the urban communities, increasing home ownership and cultivating competitive schools. While the following certainly do not cover all aspects of enhancing the residential experience in urban Rhode Island, they are designed to target specific areas where State, local and private sector partnerships can leverage resources to begin addressing key aspects of urban life.

Establish an Urban Housing Investment Tax Credit: According to Rhode Island Housing, over 50.0 percent of the rental housing in Rhode Island is in the form of stick built two and three-decker walk-ups with two to four units per structure. Given the age and type of housing stock, 9,900 rental units and 4,100 owner-occupied units have physical defects including lead paint hazards. Eighty percent of the housing units with physical defects are located in the ten urban communities. Similarly, limited property value appreciation and higher taxes have impacted homeownership in inner city areas. Six of the ten urban communities have homeownership rates below the state average.

There is a proposal being discussed to establish an Urban Housing Investment Tax Credit. The Urban Housing Investment Tax Credit could stimulate investment in urban areas for both homeownership and the improvement of rental properties through a state financed local property tax credit to investors and homeowners in lower income urban areas. If enacted, the credit would cover up to \$1,000 per year in local property tax payments for five years. The state would appropriate funding to reimburse eligible urban areas for the exempted taxes.

The credit could be obtained by owners who live in 1–4 unit homes located in census tracts in which more than 50.0 percent of residents have an income of less than 80.0 percent of median. The credit would be issued by Rhode Island Housing and Mortgage Finance Corporation upon receipt of verification of the transfer of ownership and certification of residency in the property.

Credits could also be issued to owners who improve inner city properties within these census tracts, bringing them to code standards. Eligible properties would include 1-4 family residential properties. The owner would apply for the credit prior to the expenditure of funds and would need to document the total expenditure on the property. Work completed would be verified by the local building inspector who would issue the credit. The owner would receive a property tax credit amounting to 10.0 percent of the cost of improvements up to a maximum of \$5,000. The tax credit would be spread proportionately over a five year period and not exceed \$1,000 per year. The program will be financed through state annual appropriation – estimated to total \$1.5 million in year one and expanding to \$3.0 million by year five of the program.

Develop an Urban Vacant Land Initiative: Vacant and abandoned properties continue to pose a serious threat to the economic and social vitality of urban Rhode Island. Vacant land is often the result of economic, location, and/or physical obsolescence. This often translates into properties that erode the local tax base and suppress property wealth in the surrounding areas. These properties also effect the overall quality of life, contributing to public health and safety challenges.

Therefore, it is essential that policymakers develop a comprehensive program to address vacant land in urban Rhode Island. This should include strategies to stabilize and preserve intact blocks within neighborhoods and to encourage and support redevelopment of sites that support existing economic and cultural anchors. Addressing vacant lots also provide opportunities to create open space in densely populated areas and may alleviate health and public safety pressures in certain neighborhoods.

Therefore, given the impact vacant land has on the relative wealth and economic competitiveness of urban Rhode Island, there is a clear planning and management need to have a series of tools that will assist local officials in managing and leveraging vacant land.

- a) *Modernize parcel-based databases.* In order to develop and implement effective management and financial systems, there is a need to integrate user-friendly vacant land records from among the ten urban communities into a statewide property based information system. Rhode Island should develop a coordinated, comprehensive land records database that could be shared among the various departments within urban communities and the State. This will require periodic vacant property surveys that are linked into State and local Geographic Information Systems (GIS).
- b) *Enforce Quality of Life Regulations.* Enforcement of environmental regulations, such as ensuring vacant properties are not used for dumping, that properties are not vandalized, un-kept or used for criminal activity is critical to moving towards an effective vacant land management program. State and local officials, as well as non-profit organizations, may be able to coordinate efforts related to maintaining these properties, establishing and funding trash removal and anti-graffiti measures.
- c) *Develop and fund a vacant land redevelopment fund.* Urban communities often have limited resources dedicated to demolishing clearing, improving and marketing vacant properties. The State should consider developing a series of financial tools for urban communities to acquire, combine, maintain and market vacant land. This should include mechanisms to transfer ownership to viable economic development projects and/or neighborhood purposes.

School Funding Reform: Given the significant role property taxes play in funding public schools in Rhode Island, efforts should continue to minimize the differences in access to local property tax resources. This should not ignore the different needs of the students they serve. While this may not eliminate the performance gap between communities, it will give each school system similar circumstances to deal with the educational challenges facing their students.

In May 2000, RIPEC published a report – “*A System Out of Balance – Rhode Island’s State and Local Tax System*” – that outlined the State’s tax structure and a range of recommendations to improve the State’s tax structure. Recommendations regarding the property tax still hold true given the analysis of this report.

The report demonstrated that communities endowed with a strong property tax base outpace those districts less wealthy, in both general instruction expenditures and overall student performance. In addition, there is also a growing trend in which students with additional educational needs (e.g. economically disadvantaged and limited English proficiency) are concentrated in communities with limited fiscal capacity. Therefore, the report called for the State to implement a new education funding system.

The program should begin building confidence and predictability in the method of funding public education. This should include stabilizing local property taxes, increasing State funding for schools, and distributing most of the State’s scarce resources based on multiple measures of equity.

RIPEC will continue to work towards a new system-wide method of funding public schools. RIPEC has established a task force to develop the principles, definitions and mechanisms to fund public schools. The task force will consider issues ranging from property tax burdens to various measures of student needs. The task force will also develop an appropriate transition program to shift the State from its current method of funding schools to the new model developed by the task force.

Monitor Recent Historic Tax Credit and Rehabilitation Code Reform Initiatives: Rhode Island recently enacted state income tax credits for qualified rehabilitation expenditures in the rehabilitation, redevelopment and reuse of eligible historic commercial structures. The credit, effective January 2002, is equal to 30.0 percent of the qualified rehabilitation expenditures (at least 50.0 percent of the property's value) as defined in recent regulations issued by the Historical Preservation and Heritage Commission. This initiative may serve as a significant reinvestment tool to redevelop Rhode Island's historic commercial properties.

The State also embarked on a process to review and reform the State's building and fire code regulations. Current codes are often cited as economic impediments to rehabilitation and reuse of older structures. For example, current codes would classify any rehabilitation project on an existing facility as new construction if the investment is equal to 50.0 percent of the building's value, or if the work results in a change of the building's use. There are also a number of conflicts between building and fire code requirements. To resolve these issues and to design a building and fire code that encourages redevelopment of these structures, a task force recently approved proposed reforms to streamline and enhance a rehab code. These new building and fire codes are expected to be in effect May 2002. The successful implementation of these recommendations, coupled with the historic tax credit noted above, could serve as key incentives to redevelopment of residential and commercial properties in the urban communities, thereby enhancing overall property value and return on investment.

Enhance Urban Economic Competitiveness

Urban communities have a number of competitive advantages, such as their strategic locations and their concentration of jobs, education institutions, health care facilities and entertainment. Urban communities often enjoy local market demand, access to regional markets, and significant human resources. They are centers of economic activity, creating an environment that produces attractive and well paid job opportunities.

Improving urban competitiveness means positioning urban communities to provide viable alternatives to businesses seeking location or expansion in Rhode Island. Given that urban communities have a limited range of sites available for various types of uses, such as light industry, manufacturing and other purposes, it is essential that strategies put in place create a land use and tax environment that is competitive and essential to growth in urban communities.

Create an Urban Infrastructure Reinvestment Trust Fund: The Fund would support and spur private-sector investments in urban communities, with public funds directly linked to private-sector economic development initiatives. The Trust Fund, through a revolving loan fund, bond bank or grants, could provide eligible municipalities and redevelopment agencies access to seed capital to improve urban infrastructure and leverage private investments.

The Fund would assist communities in upgrading and reinvesting in existing urban infrastructure (e.g., utilities, roads, sidewalks, sewers), arresting blight and decay, enhancing municipal tax bases, and positioning urban communities to attract and retain employers. Project components eligible for these funds would include, but not be limited to, street lighting improvements, building demolition and refurbishment, environmental remediation, and utility relocation.

The State should create a State Urban Infrastructure Council - comprised of department heads from the Economic Development Corporation (EDC), the Department of Transportation (DOT), the Department of Administration (DOA), the Department of Environmental Management (DEM), a member of the Public Finance Management Board, and four local officials from eligible communities to be appointed by the General Assembly. The Council should present to the Governor and the General Assembly a plan to implement the UIRTF by January 31, 2003.

The Council's plan should include standards, terms and conditions necessary for communities to receive financial assistance. This could include requiring a State certified comprehensive plan, capital development plans and operating funds for maintenance of the assets. The Council should also clearly identify the criteria and process for selecting priority projects, and how the program will be monitored and evaluated. Additional effort should focus on leveraging existing federal grants and programs.

Eligibility to access the fund should be limited to communities with 2,000 persons per square mile or more. These communities will also be required to meet the standards, terms and conditions set forth by the State Urban Infrastructure Council. Currently, the following communities have at least 2,000 persons per square mile:

Bristol	East Providence	Pawtucket	West Warwick
Central Falls	Newport	Providence	Woonsocket
Cranston	North Providence	Warwick	

Contingent upon the recommendations of the State Urban Infrastructure Council, the Reinvestment Trust Fund could be established by using a number of options. The Fund could be capitalized with a multi-million dollar bond issue submitted for voter approval, an endowment established using proceeds from the proposed tobacco securitization program, or be funded through the establishment of a State bond bank where the State serves as underwriter. A potential mechanism to capitalize the Fund is using the Economic Development Corporation's (EDC) authority to issue moral obligation bonds for economic development related projects. The EDC could issue a multi-million dollar

bond and engage in contracts with eligible communities to secure repayment of the bonds through tax increment financing arrangements, general revenue or other repayment arrangements. The State's role would include subsidizing these loans by providing them at zero interest to the urban communities.

Continue to Improve Brownfield Remediation: The issue of contaminated industrial and commercial facilities and properties that are often abandoned or underused is often referred to as brownfields. While there are brownfields in many communities throughout the State, they are concentrated in urban Rhode Island. These contaminated sites pose a number of health risks to the surrounding neighborhoods, often do not represent the best use of the land, and do not provide the necessary wealth to contribute to the tax base. While the State has made progress in Brownfield redevelopment through the Industrial Property Remediation and Reuse Act of 1995 (Amended 1997), there remain many issues to resolve to these complex issues.

Grow Smart Rhode Island released a report on the subject in March 2001 – *Revitalizing Brownfields – How can Rhode Island do More?*. This report provided a series of recommendations designed to improve the Brownfield remediation process. These recommendations include enhancing State and local program coordination, addressing arsenic standards and available financial assistance programs. The report further recommends addressing liability concerns by modeling an environmental insurance program after Massachusetts.

The Rhode Island Department of Environmental Management issued a report – *Waste Site Remediation Permit: Streamlining Task Force Report* (October 2001) – that begins to take some of these and other recommendations and put them into action plans. For example, the Report identified the need to use the model Settlement Agreement for sites covered by the Brownfields Program and to raise the Direct Exposure Criteria for arsenic for Industrial/Commercial Properties from 3.8 mg/kg to 7.0 mg/kg.

In addition to addressing the liability issues noted above, improving the process to clean up contaminated sites requires detailed databases of these sites within each community that feed into a statewide database, using uniform standards and reporting requirements. This will provide state and local staff with the first set of tools needed to assess the costs associated with returning these sites to market. This cost analysis will provide the information needed to prioritize and assemble sites for clean up and redevelopment. Funding for remediation and assembly is currently limited, and therefore may require the establishment of a Revitalization Fund, perhaps capitalized with State and/or local bonds.

The State is currently considering legislation designed to address some of these issues. While there are various aspects of the legislation, the key components are two tax credit provisions. First, the legislation would establish a 30.0 percent tax credit for remediation expenditures to be applied to various tax liabilities (business corporations, franchise, public services corporation tax, and others). The bill also would establish an additional 10.0 percent tax credit for the usage of at least 2,000 cubic yards of dredged material in such remediation work. RIPEC believes this legislation deserves serious consideration.

Section VI

**Appendix:
Municipal Tables**

Section VI – Appendix – Table 1

Estimated Full Value of Property - All Property Values (Millions)						
Community	Unadjusted Full Value of Property			Adjusted Full Value of Property		
	FY 1970	FY 2000	Change	FY 1970	FY 2000	Change
Central Falls	\$64.7	\$311.2	\$246.5	\$287.2	\$311.2	\$24.0
Newport	187.6	2,156.5	1,968.8	832.7	2,156.5	1,323.8
Pawtucket	470.6	2,341.3	1,870.6	2,088.7	2,341.3	252.6
Providence	1,162.1	6,171.4	5,009.2	5,157.7	6,171.4	1,013.6
Woonsocket	212.7	1,385.2	1,172.4	944.1	1,385.2	441.0
<i>Urban Core</i>	<i>\$2,097.8</i>	<i>\$12,365.5</i>	<i>\$10,267.7</i>	<i>\$9,310.4</i>	<i>\$12,365.5</i>	<i>\$3,055.1</i>
Cranston	\$490.9	\$4,126.0	\$3,635.1	\$2,178.6	\$4,126.0	\$1,947.4
East Providence	300.6	2,665.7	2,365.1	1,333.9	2,665.7	1,331.8
North Providence	146.8	1,488.8	1,342.0	651.7	1,488.8	837.2
Warwick	576.2	5,541.5	4,965.3	2,557.1	5,541.5	2,984.4
West Warwick	122.3	1,225.2	1,102.8	543.0	1,225.2	682.2
<i>Urban Ring</i>	<i>\$1,636.8</i>	<i>\$15,047.1</i>	<i>\$13,410.4</i>	<i>\$7,264.2</i>	<i>\$15,047.1</i>	<i>\$7,782.9</i>
Barrington	\$142.1	\$1,416.3	\$1,274.3	\$630.5	\$1,416.3	\$785.9
Bristol	108.9	1,277.3	1,168.4	483.4	1,277.3	793.9
Cumberland	165.3	1,876.7	1,711.3	733.7	1,876.7	1,142.9
East Greenwich	83.6	1,117.9	1,034.3	370.8	1,117.9	747.0
Jamestown	30.3	799.9	769.5	134.7	799.9	665.2
Johnston	141.2	1,743.0	1,601.8	626.7	1,743.0	1,116.3
Lincoln	113.3	1,553.7	1,440.4	502.9	1,553.7	1,050.8
Middletown	101.1	1,283.2	1,182.1	448.5	1,283.2	834.6
Narragansett	82.7	1,686.1	1,603.4	367.0	1,686.1	1,319.1
North Kingstown	150.3	1,988.9	1,838.6	667.0	1,988.9	1,321.9
Portsmouth	100.6	1,395.1	1,294.5	446.5	1,395.1	948.7
Smithfield	84.5	1,229.3	1,144.8	375.1	1,229.3	854.2
Warren	60.7	686.6	625.8	269.6	686.6	417.0
Westerly	141.1	2,292.1	2,150.9	626.4	2,292.1	1,665.7
<i>Suburban</i>	<i>\$1,505.8</i>	<i>\$20,346.0</i>	<i>\$18,840.3</i>	<i>\$6,682.8</i>	<i>\$20,346.0</i>	<i>\$13,663.2</i>
Burrillville	\$49.5	\$931.8	\$882.3	\$219.8	\$931.8	\$712.0
Charlestown	29.9	928.7	898.8	132.9	928.7	795.8
Coventry	120.1	1,758.5	1,638.3	533.1	1,758.5	1,225.3
Exeter	15.9	392.1	376.2	70.4	392.1	321.7
Foster	17.0	310.9	293.9	75.4	310.9	235.6
Glocester	34.6	601.0	566.3	153.7	601.0	447.3
Hopkinton	36.3	465.0	428.7	161.0	465.0	304.1
Little Compton	31.9	712.1	680.2	141.6	712.1	570.5
New Shoreham	17.1	546.1	529.1	75.7	546.1	470.4
North Smithfield	66.5	729.7	663.2	295.0	729.7	434.7
Richmond	19.3	440.0	420.7	85.5	440.0	354.5
Scituate	67.4	893.9	826.5	298.9	893.9	594.9
South Kingstown	112.0	1,995.1	1,883.2	496.9	1,995.1	1,498.2
Tiverton	85.6	1,025.4	939.8	379.8	1,025.4	645.6
West Greenwich	10.8	392.7	381.8	48.0	392.7	344.7
<i>Rural</i>	<i>\$713.7</i>	<i>\$12,123.0</i>	<i>\$11,409.3</i>	<i>\$3,167.7</i>	<i>\$12,123.0</i>	<i>\$8,955.3</i>
Total	\$5,954.1	\$59,881.7	\$53,927.6	\$26,425.1	\$59,881.7	\$33,456.5

Source: RIPEC Calculations based on Office of Municipal Affairs and RIGIS Data

Section VI – Appendix – Table 2

Estimated Full Value of Property - Residential Values (Millions)						
Community	Unadjusted Full Value of Property			Adjusted Full Value of Property		
	FY 1970	FY 2000	Change	FY 1970	FY 2000	Change
Central Falls	\$28.5	\$205.4	\$176.9	\$126.5	\$205.4	\$78.9
Newport	104.3	1,531.1	1,426.8	462.8	1,531.1	1,068.3
Pawtucket	207.7	1,301.7	1,094.0	922.0	1,301.7	379.8
Providence	470.9	3,505.3	3,034.4	2,089.9	3,505.3	1,415.4
Woonsocket	102.7	835.2	732.5	455.9	835.2	379.3
<i>Urban Core</i>	<i>\$914.1</i>	<i>\$7,378.8</i>	<i>\$6,464.7</i>	<i>\$4,057.1</i>	<i>\$7,378.8</i>	<i>\$3,321.7</i>
Cranston	\$310.2	\$2,913.0	\$2,602.8	\$1,376.6	\$2,913.0	\$1,536.3
East Providence	157.6	1,663.4	1,505.7	699.6	1,663.4	963.7
North Providence	103.9	1,113.7	1,009.8	461.1	1,113.7	652.5
Warwick	377.2	3,391.4	3,014.2	1,673.9	3,391.4	1,717.5
West Warwick	78.0	834.3	756.3	346.3	834.3	488.0
<i>Urban Ring</i>	<i>\$1,026.9</i>	<i>\$9,915.7</i>	<i>\$8,888.8</i>	<i>\$4,557.6</i>	<i>\$9,915.7</i>	<i>\$5,358.1</i>
Barrington	\$118.1	\$1,250.6	\$1,132.5	\$524.1	\$1,250.6	\$726.5
Bristol	70.1	1,033.3	963.3	311.0	1,033.3	722.4
Cumberland	107.4	1,424.4	1,316.9	476.9	1,424.4	947.5
East Greenwich	50.4	856.3	805.9	223.6	856.3	632.7
Jamestown	24.0	703.9	679.9	106.5	703.9	597.4
Johnston	85.7	1,126.0	1,040.2	380.4	1,126.0	745.6
Lincoln	65.3	963.3	898.0	290.0	963.3	673.3
Middletown	66.6	875.1	808.5	295.5	875.1	579.6
Narragansett	62.8	1,433.2	1,370.4	278.8	1,433.2	1,154.4
North Kingstown	95.1	1,477.8	1,382.6	422.3	1,477.8	1,055.5
Portsmouth	56.8	1,103.5	1,046.8	252.0	1,103.5	851.5
Smithfield	55.9	850.7	794.8	248.0	850.7	602.7
Warren	34.2	488.2	454.0	151.6	488.2	336.6
Westerly	75.5	1,780.9	1,705.4	335.2	1,780.9	1,445.8
<i>Suburban</i>	<i>\$967.9</i>	<i>\$15,367.2</i>	<i>\$14,399.3</i>	<i>\$4,295.8</i>	<i>\$15,367.2</i>	<i>\$11,071.4</i>
Burrillville	\$26.2	\$704.5	\$678.3	\$116.3	\$704.5	\$588.2
Charlestown	22.4	818.2	795.7	99.6	818.2	718.6
Coventry	85.7	1,280.2	1,194.4	380.5	1,280.2	899.7
Exeter	9.0	292.1	283.1	40.0	292.1	252.1
Foster	11.6	217.6	206.0	51.5	217.6	166.2
Glocester	22.0	482.0	460.0	97.7	482.0	384.3
Hopkinton	19.7	365.5	345.8	87.4	365.5	278.1
Little Compton	22.6	633.8	611.2	100.5	633.8	533.3
New Shoreham	12.7	463.1	450.5	56.2	463.1	406.9
North Smithfield	37.4	500.6	463.1	166.2	500.6	334.4
Richmond	11.6	312.8	301.3	51.3	312.8	261.6
Scituate	28.5	508.6	480.1	126.4	508.6	382.2
South Kingstown	75.0	1,590.1	1,515.1	332.9	1,590.1	1,257.2
Tiverton	55.3	802.9	747.6	245.6	802.9	557.3
West Greenwich	6.6	230.1	223.5	29.4	230.1	200.7
<i>Rural</i>	<i>\$446.4</i>	<i>\$9,202.1</i>	<i>\$8,755.7</i>	<i>\$1,981.3</i>	<i>\$9,202.1</i>	<i>\$7,220.8</i>
Total	\$3,355.4	\$41,863.8	\$38,508.4	\$14,891.8	\$41,863.8	\$26,972.1

Source: RIPEC Calculations based on Office of Municipal Affairs and RIGIS Data

Section VI – Appendix – Table 3

Estimated Full Value of Property - Commercial Values (Millions)						
Community	Unadjusted Full Value of Property			Adjusted Full Value of Property		
	FY 1970	FY 2000	Change	FY 1970	FY 2000	Change
Central Falls	\$10.6	\$41.1	\$30.5	\$46.8	\$41.1	(\$5.8)
Newport	50.2	470.1	419.9	222.8	470.1	247.3
Pawtucket	90.1	482.3	392.2	399.8	482.3	82.5
Providence	299.9	1,715.6	1,415.7	1,331.2	1,715.6	384.4
Woonsocket	43.9	344.9	301.0	194.7	344.9	150.2
<i>Urban Core</i>	<i>\$494.6</i>	<i>\$3,054.0</i>	<i>\$2,559.4</i>	<i>\$2,195.3</i>	<i>\$3,054.0</i>	<i>\$858.7</i>
Cranston	\$70.2	\$561.1	\$490.9	\$311.5	\$561.1	\$249.6
East Providence	51.0	589.1	538.1	226.5	589.1	362.6
North Providence	16.9	174.2	157.3	75.0	174.2	99.2
Warwick	100.3	1,413.1	1,312.8	445.2	1,413.1	967.9
West Warwick	20.7	154.4	133.7	91.9	154.4	62.4
<i>Urban Ring</i>	<i>\$259.2</i>	<i>\$2,891.9</i>	<i>\$2,632.7</i>	<i>\$1,150.2</i>	<i>\$2,891.9</i>	<i>\$1,741.7</i>
Barrington	\$7.9	\$55.2	\$47.4	\$34.9	\$55.2	\$20.3
Bristol	10.2	106.0	95.8	45.2	106.0	60.8
Cumberland	13.4	157.6	144.3	59.3	157.6	98.4
East Greenwich	10.9	110.7	99.7	48.6	110.7	62.1
Jamestown	2.2	32.0	29.8	9.7	32.0	22.3
Johnston	23.6	346.8	323.2	104.8	346.8	242.1
Lincoln	8.6	301.4	292.8	38.2	301.4	263.2
Middletown	18.7	266.9	248.2	83.2	266.9	183.7
Narragansett	5.6	141.6	136.0	25.0	141.6	116.6
North Kingstown	24.0	222.8	198.8	106.3	222.8	116.4
Portsmouth	8.2	108.8	100.6	36.3	108.8	72.5
Smithfield	9.0	180.7	171.7	39.9	180.7	140.8
Warren	7.8	94.7	87.0	34.6	94.7	60.2
Westerly	25.1	332.3	307.3	111.3	332.3	221.0
<i>Suburban</i>	<i>\$175.1</i>	<i>\$2,457.7</i>	<i>\$2,282.6</i>	<i>\$777.3</i>	<i>\$2,457.7</i>	<i>\$1,680.5</i>
Burrillville	\$4.1	\$59.6	\$55.5	\$18.3	\$59.6	\$41.4
Charlestown	1.5	38.1	36.6	6.6	38.1	31.5
Coventry	7.2	179.4	172.2	31.8	179.4	147.5
Exeter	1.4	25.9	24.5	6.2	25.9	19.6
Foster	1.7	14.0	12.3	7.5	14.0	6.5
Glocester	2.5	40.3	37.8	10.9	40.3	29.4
Hopkinton	1.5	28.4	26.9	6.6	28.4	21.8
Little Compton	0.9	16.4	15.5	3.8	16.4	12.6
New Shoreham	2.6	67.2	64.6	11.5	67.2	55.7
North Smithfield	4.1	76.6	72.5	18.4	76.6	58.2
Richmond	1.2	56.8	55.6	5.1	56.8	51.6
Scituate	2.9	32.2	29.2	13.1	32.2	19.1
South Kingstown	14.5	225.4	210.9	64.4	225.4	161.1
Tiverton	10.7	85.1	74.4	47.6	85.1	37.5
West Greenwich	0.9	62.0	61.2	3.8	62.0	58.3
<i>Rural</i>	<i>\$57.6</i>	<i>\$1,007.3</i>	<i>\$949.7</i>	<i>\$255.6</i>	<i>\$1,007.3</i>	<i>\$751.7</i>
Total	\$986.5	\$9,411.0	\$8,424.4	\$4,378.3	\$9,411.0	\$5,032.6

Source: RIPEC Calculations based on Office of Municipal Affairs and RIGIS Data

Section VI – Appendix – Table 4

Estimated Full Value of Property - Industrial Values (Millions)						
Community	Unadjusted Full Value of Property			Adjusted Full Value of Property		
	FY 1970	FY 2000	Change	FY 1970	FY 2000	Change
Central Falls	\$15.7	\$26.8	\$11.1	\$69.7	\$26.8	(\$43.0)
Newport	2.3	2.2	(0.1)	10.2	2.2	(8.0)
Pawtucket	90.5	121.7	31.3	401.4	121.7	(279.7)
Providence	150.7	320.9	170.2	669.0	320.9	(348.0)
Woonsocket	23.2	59.6	36.4	102.9	59.6	(43.3)
<i>Urban Core</i>	<i>\$282.4</i>	<i>\$531.1</i>	<i>\$248.8</i>	<i>\$1,253.2</i>	<i>\$531.1</i>	<i>(\$722.1)</i>
Cranston	\$30.5	\$169.2	\$138.7	\$135.3	\$169.2	\$33.9
East Providence	51.3	151.9	100.6	227.7	151.9	(75.8)
North Providence	5.6	11.9	6.3	25.0	11.9	(13.1)
Warwick	27.4	99.7	72.3	121.7	99.7	(22.0)
West Warwick	6.9	78.4	71.5	30.7	78.4	47.7
<i>Urban Ring</i>	<i>\$121.8</i>	<i>\$511.2</i>	<i>\$389.4</i>	<i>\$540.4</i>	<i>\$511.2</i>	<i>(\$29.2)</i>
Barrington	\$1.5	\$1.4	(\$0.0)	\$6.5	\$1.4	(\$5.1)
Bristol	10.2	19.2	9.0	45.1	19.2	(25.9)
Cumberland	12.8	33.8	21.0	56.7	33.8	(22.9)
East Greenwich	13.7	25.7	12.0	61.0	25.7	(35.3)
Jamestown	0.0	0.0	0.0	0.0	0.0	0.0
Johnston	3.6	34.9	31.3	15.9	34.9	19.0
Lincoln	10.8	113.4	102.6	47.9	113.4	65.5
Middletown	0.8	25.7	24.9	3.5	25.7	22.2
Narragansett	0.6	3.4	2.7	2.8	3.4	0.5
North Kingstown	12.6	33.8	21.2	56.0	33.8	(22.2)
Portsmouth	19.4	41.9	22.5	86.1	41.9	(44.2)
Smithfield	5.4	68.8	63.5	23.9	68.8	45.0
Warren	4.7	24.0	19.3	20.9	24.0	3.1
Westerly	12.2	29.8	17.6	54.3	29.8	(24.5)
<i>Suburban</i>	<i>\$108.3</i>	<i>\$455.7</i>	<i>\$347.5</i>	<i>\$480.5</i>	<i>\$455.7</i>	<i>(\$24.7)</i>
Burrillville	\$3.5	\$13.0	\$9.5	\$15.6	\$13.0	(\$2.5)
Charlestown	0.9	4.6	3.8	3.8	4.6	0.8
Coventry	7.8	59.8	52.0	34.7	59.8	25.1
Exeter	0.2	2.7	2.6	0.7	2.7	2.0
Foster	0.0	0.9	0.9	0.0	0.9	0.9
Glocester	1.9	1.2	(0.7)	8.5	1.2	(7.3)
Hopkinton	4.7	12.1	7.4	20.7	12.1	(8.6)
Little Compton	0.0	0.0	0.0	0.0	0.0	0.0
New Shoreham	0.0	0.0	0.0	0.0	0.0	0.0
North Smithfield	10.5	32.8	22.4	46.4	32.8	(13.6)
Richmond	2.6	5.7	3.1	11.6	5.7	(5.9)
Scituate	1.1	1.8	0.7	4.7	1.8	(2.9)
South Kingstown	2.7	21.9	19.2	12.0	21.9	10.0
Tiverton	3.3	11.3	8.0	14.7	11.3	(3.4)
West Greenwich	0.2	52.6	52.5	0.7	52.6	51.9
<i>Rural</i>	<i>\$39.2</i>	<i>\$220.6</i>	<i>\$181.4</i>	<i>\$174.0</i>	<i>\$220.6</i>	<i>\$46.6</i>
Total	\$551.6	\$1,718.7	\$1,167.1	\$2,448.1	\$1,718.7	(\$729.4)

Source: RIPEC Calculations based on Office of Municipal Affairs and RIGIS Data

Section VI – Appendix – Table 5

Land Use by Community - 1970 - 2000										
Community	1970					2000				
	All	Res.	Comm	Indust	Other	All	Res.	Comm	Indust	Other
Central Falls	834	426	98	102	208	825	362	143	112	208
Newport	5,217	2,369	173	15	2,660	5,175	2,402	250	74	2,450
Pawtucket	5,704	2,927	320	661	1,796	5,658	2,829	558	623	1,647
Providence	12,224	5,254	1,353	867	4,750	12,029	5,146	1,410	1,099	4,375
Woonsocket	5,025	2,221	196	225	2,383	5,048	2,370	487	331	1,859
<i>Urban Core</i>	<i>29,004</i>	<i>13,197</i>	<i>2,140</i>	<i>1,870</i>	<i>11,797</i>	<i>28,735</i>	<i>13,109</i>	<i>2,848</i>	<i>2,239</i>	<i>10,539</i>
Cranston	17,841	4,881	595	335	12,030	18,504	7,166	782	784	9,772
East Providence	8,981	3,041	373	467	5,100	8,936	3,323	689	488	4,435
North Providence	3,681	1,766	162	55	1,698	3,708	2,484	327	69	827
Warwick	23,664	8,669	921	344	13,730	22,968	10,266	1,772	783	10,147
West Warwick	5,257	1,887	215	153	3,002	5,178	2,621	357	295	1,905
<i>Urban Ring</i>	<i>59,424</i>	<i>20,244</i>	<i>2,266</i>	<i>1,354</i>	<i>35,560</i>	<i>59,294</i>	<i>25,861</i>	<i>3,928</i>	<i>2,419</i>	<i>27,086</i>
Barrington	6,784	2,459	45	15	4,265	5,490	2,943	113	12	2,421
Bristol	6,828	1,609	77	129	5,013	6,316	2,754	180	144	3,239
Cumberland	18,065	2,836	198	124	14,907	18,077	4,935	298	336	12,508
East Greenwich	10,643	1,724	157	62	8,700	10,438	3,347	240	127	6,724
Jamestown	6,160	1,394	14	0	4,752	6,183	2,140	58	0	3,985
Johnston	15,556	2,506	208	109	12,733	15,573	4,378	511	277	10,407
Lincoln	11,762	1,749	25	285	9,703	12,141	3,501	193	393	8,054
Middletown	8,367	1,898	166	4	6,299	8,445	2,802	459	177	5,007
Narragansett	10,162	2,486	96	14	7,566	9,117	3,485	251	28	5,353
North Kingstown	27,682	4,029	298	151	23,204	28,239	6,247	547	1,100	20,345
Portsmouth	15,459	2,372	75	196	12,816	15,087	3,816	199	201	10,870
Smithfield	17,590	1,749	132	121	15,588	17,669	3,834	483	261	13,092
Warren	5,071	942	110	60	3,959	3,988	1,252	160	96	2,480
Westerly	20,225	3,199	201	98	16,727	19,399	5,490	467	73	13,368
<i>Suburban</i>	<i>180,354</i>	<i>30,952</i>	<i>1,802</i>	<i>1,368</i>	<i>146,232</i>	<i>176,162</i>	<i>50,924</i>	<i>4,161</i>	<i>3,225</i>	<i>117,852</i>
Burrillville	36,620	2,061	44	88	34,427	36,325	4,178	134	121	31,892
Charlestown	27,305	1,620	61	23	25,601	24,452	3,699	199	43	20,511
Coventry	39,841	3,473	148	173	36,047	39,946	7,350	405	230	31,961
Exeter	35,906	855	46	0	35,005	37,370	2,724	97	28	34,520
Foster	33,459	787	48	26	32,598	33,157	2,371	155	28	30,603
Glocester	34,293	1,355	53	21	32,864	36,168	3,568	176	36	32,389
Hopkinton	28,374	1,730	45	46	26,553	28,247	3,191	110	44	24,902
Little Compton	14,617	1,253	8	0	13,356	14,456	2,343	59	0	12,055
New Shoreham	6,940	269	26	7	6,638	6,378	1,611	91	0	4,675
North Smithfield	15,688	1,346	63	174	14,105	15,927	3,272	205	174	12,275
Richmond	25,213	981	27	23	24,182	26,074	2,993	125	52	22,904
Scituate	35,239	2,069	37	48	33,085	35,077	4,145	122	19	30,792
South Kingstown	39,257	4,125	138	98	34,896	39,225	7,502	317	132	31,274
Tiverton	19,553	2,075	83	18	17,377	19,418	3,593	323	31	15,471
West Greenwich	32,873	750	15	7	32,101	32,779	2,343	221	52	30,163
<i>Rural</i>	<i>425,178</i>	<i>24,749</i>	<i>842</i>	<i>752</i>	<i>398,835</i>	<i>424,999</i>	<i>54,884</i>	<i>2,740</i>	<i>989</i>	<i>366,386</i>
Total	693,960	89,142	7,050	5,344	592,424	689,190	144,778	13,676	8,872	521,864

Source: RIGIS Data and RIPEC estimates (2000)

Section VI – Appendix – Table 6

Property Wealth Measures - All Property Value							
Community	Population			Value Per Capita		Value Per Acre	
	1970	2000	Change	1970	2000	1970	2000
Central Falls	18,716	18,928	212	\$15,345	\$16,443	\$344,367	\$377,263
Newport	34,562	26,475	(8,087)	24,092	81,452	159,605	416,706
Pawtucket	76,984	72,958	(4,026)	27,132	32,091	366,182	413,798
Providence	179,116	173,618	(5,498)	28,795	35,546	421,933	513,039
Woonsocket	45,914	43,224	(2,690)	20,563	32,046	187,883	274,397
<i>Urban Core</i>	<i>355,292</i>	<i>335,203</i>	<i>(20,089)</i>	<i>\$26,205</i>	<i>\$36,890</i>	<i>\$321,004</i>	<i>\$430,328</i>
Cranston	74,287	79,269	4,982	\$29,327	\$52,051	\$122,111	\$222,979
East Providence	48,207	48,688	481	27,670	54,750	148,524	298,305
North Providence	24,337	32,411	8,074	26,778	45,936	177,042	401,522
Warwick	83,694	85,808	2,114	30,553	64,580	108,058	241,269
West Warwick	24,323	29,581	5,258	22,323	41,417	103,285	236,610
<i>Urban Ring</i>	<i>254,848</i>	<i>275,757</i>	<i>20,909</i>	<i>\$28,504</i>	<i>\$54,567</i>	<i>\$122,244</i>	<i>\$253,772</i>
Barrington	17,554	16,819	(735)	\$35,915	\$84,210	\$92,933	\$257,983
Bristol	17,860	22,469	4,609	27,066	56,847	70,795	202,232
Cumberland	26,605	31,840	5,235	27,579	58,941	40,617	103,815
East Greenwich	9,577	12,948	3,371	38,723	86,336	34,844	107,097
Jamestown	2,911	5,622	2,711	46,265	142,276	21,863	129,367
Johnston	22,037	28,195	6,158	28,438	61,818	40,286	111,922
Lincoln	16,182	20,898	4,716	31,078	74,347	42,757	127,972
Middletown	29,290	17,334	(11,956)	15,313	74,025	53,605	151,942
Narragansett	7,138	16,361	9,223	51,421	103,058	36,119	184,944
North Kingstown	29,793	26,326	(3,467)	22,388	75,550	24,095	70,432
Portsmouth	12,521	17,149	4,628	35,657	81,353	28,881	92,472
Smithfield	13,468	20,613	7,145	27,854	59,639	21,327	69,576
Warren	10,523	11,360	837	25,620	60,439	53,164	172,165
Westerly	17,248	22,966	5,718	36,314	99,802	30,969	118,153
<i>Suburban</i>	<i>232,707</i>	<i>270,900</i>	<i>38,193</i>	<i>\$28,718</i>	<i>\$75,105</i>	<i>\$37,054</i>	<i>\$115,496</i>
Burrillville	10,087	15,796	5,709	\$21,790	\$58,993	\$6,002	\$25,653
Charlestown	2,863	7,859	4,996	46,405	118,169	4,866	37,980
Coventry	22,947	33,668	10,721	23,232	52,229	13,381	44,021
Exeter	3,245	6,045	2,800	21,707	64,864	1,962	10,492
Foster	2,626	4,274	1,648	28,696	72,746	2,252	9,377
Glocester	5,160	9,948	4,788	29,786	60,411	4,482	16,616
Hopkinton	5,392	7,836	2,444	29,852	59,343	5,673	16,462
Little Compton	2,385	3,593	1,208	59,377	198,200	9,688	49,262
New Shoreham	489	1,010	521	154,841	540,734	10,910	85,629
North Smithfield	9,349	10,618	1,269	31,557	68,725	18,806	45,817
Richmond	2,625	7,222	4,597	32,559	60,924	3,390	16,875
Scituate	7,489	10,324	2,835	39,918	86,582	8,483	25,483
South Kingstown	16,913	27,921	11,008	29,381	71,456	12,658	50,864
Tiverton	12,559	15,260	2,701	30,240	67,195	19,423	52,807
West Greenwich	1,841	5,085	3,244	26,077	77,220	1,460	11,979
<i>Rural</i>	<i>105,970</i>	<i>166,459</i>	<i>60,489</i>	<i>\$29,892</i>	<i>\$72,829</i>	<i>\$7,450</i>	<i>\$28,525</i>
Total	948,817	1,048,319	99,502	\$27,851	\$57,122	\$38,079	\$86,887

Source: RIGIS Data and RIPEC estimates (2000)

Section VI – Appendix – Table 7

Property Wealth Measures - Residential Property Value							
Community	Population			Value Per Capita		Value Per Acre	
	1970	2000	Change	1970	2000	1970	2000
Central Falls	18,716	18,928	212	\$6,760	\$10,853	\$296,978	\$567,867
Newport	34,562	26,475	(8,087)	13,390	57,831	195,354	637,533
Pawtucket	76,984	72,958	(4,026)	11,976	17,842	314,982	460,072
Providence	179,116	173,618	(5,498)	11,668	20,190	397,774	681,215
Woonsocket	45,914	43,224	(2,690)	9,930	19,324	205,274	352,361
<i>Urban Core</i>	<i>355,292</i>	<i>335,203</i>	<i>(20,089)</i>	<i>\$11,419</i>	<i>\$22,013</i>	<i>\$307,424</i>	<i>\$562,887</i>
Cranston	74,287	79,269	4,982	\$18,531	\$36,748	\$282,042	\$406,503
East Providence	48,207	48,688	481	14,513	34,164	230,065	500,515
North Providence	24,337	32,411	8,074	18,948	34,360	261,119	448,304
Warwick	83,694	85,808	2,114	20,000	39,523	193,087	330,335
West Warwick	24,323	29,581	5,258	14,238	28,205	183,522	318,291
<i>Urban Ring</i>	<i>254,848</i>	<i>275,757</i>	<i>20,909</i>	<i>\$17,884</i>	<i>\$35,958</i>	<i>\$225,133</i>	<i>\$383,421</i>
Barrington	17,554	16,819	(735)	\$29,857	\$74,357	\$213,136	\$424,884
Bristol	17,860	22,469	4,609	17,411	45,989	193,266	375,252
Cumberland	26,605	31,840	5,235	17,924	44,736	168,145	288,609
East Greenwich	9,577	12,948	3,371	23,350	66,134	129,711	255,837
Jamestown	2,911	5,622	2,711	36,577	125,203	76,382	328,961
Johnston	22,037	28,195	6,158	17,262	39,935	151,798	257,171
Lincoln	16,182	20,898	4,716	17,923	46,095	165,823	275,189
Middletown	29,290	17,334	(11,956)	10,088	50,485	155,680	312,343
Narragansett	7,138	16,361	9,223	39,060	87,599	112,151	411,286
North Kingstown	29,793	26,326	(3,467)	14,174	56,133	104,809	236,556
Portsmouth	12,521	17,149	4,628	20,129	64,350	106,252	289,152
Smithfield	13,468	20,613	7,145	18,415	41,270	141,799	221,901
Warren	10,523	11,360	837	14,403	42,972	160,900	389,768
Westerly	17,248	22,966	5,718	19,432	77,546	104,770	324,375
<i>Suburban</i>	<i>232,707</i>	<i>270,900</i>	<i>38,193</i>	<i>\$18,460</i>	<i>\$56,726</i>	<i>\$138,788</i>	<i>\$301,765</i>
Burrillville	10,087	15,796	5,709	\$11,527	\$44,598	\$56,416	\$168,597
Charlestown	2,863	7,859	4,996	34,771	104,107	61,451	221,164
Coventry	22,947	33,668	10,721	16,581	38,023	109,554	174,159
Exeter	3,245	6,045	2,800	12,336	48,324	46,819	107,220
Foster	2,626	4,274	1,648	19,602	50,922	65,407	91,805
Glocester	5,160	9,948	4,788	18,938	48,449	72,118	135,091
Hopkinton	5,392	7,836	2,444	16,204	46,644	50,503	114,554
Little Compton	2,385	3,593	1,208	42,128	176,398	80,188	270,553
New Shoreham	489	1,010	521	114,908	458,543	208,884	287,415
North Smithfield	9,349	10,618	1,269	17,776	47,145	123,467	152,973
Richmond	2,625	7,222	4,597	19,532	43,317	52,264	104,517
Scituate	7,489	10,324	2,835	16,873	49,265	61,075	122,708
South Kingstown	16,913	27,921	11,008	19,685	56,951	80,713	211,967
Tiverton	12,559	15,260	2,701	19,556	52,614	118,363	223,471
West Greenwich	1,841	5,085	3,244	15,970	45,251	39,200	98,206
<i>Rural</i>	<i>105,970</i>	<i>166,459</i>	<i>60,489</i>	<i>\$18,697</i>	<i>\$55,282</i>	<i>\$80,057</i>	<i>\$167,665</i>
Total	948,817	1,048,319	99,502	\$15,695	\$39,934	\$167,057	\$289,158

Source: RIGIS Data and RIPEC estimates (2000)

Section VI – Appendix – Table 8

Property Wealth Measures - All Commercial Property Value							
Community	Population			Value Per Capita		Value Per Acre	
	1970	2000	Change	1970	2000	1970	2000
Central Falls	18,716	18,928	212	\$2,503	\$2,171	\$477,986	\$287,300
Newport	34,562	26,475	(8,087)	6,447	17,757	1,287,977	1,881,059
Pawtucket	76,984	72,958	(4,026)	5,193	6,611	1,249,305	863,675
Providence	179,116	173,618	(5,498)	7,432	9,882	983,892	1,217,154
Woonsocket	45,914	43,224	(2,690)	4,240	7,979	993,246	708,672
<i>Urban Core</i>	<i>355,292</i>	<i>335,203</i>	<i>(20,089)</i>	<i>\$6,179</i>	<i>\$9,111</i>	<i>\$1,025,852</i>	<i>\$1,072,500</i>
Cranston	74,287	79,269	4,982	\$4,194	\$7,079	\$523,592	\$717,294
East Providence	48,207	48,688	481	4,698	12,100	607,226	854,649
North Providence	24,337	32,411	8,074	3,082	5,375	463,023	531,903
Warwick	83,694	85,808	2,114	5,319	16,468	483,376	797,485
West Warwick	24,323	29,581	5,258	3,779	5,219	427,557	432,412
<i>Urban Ring</i>	<i>254,848</i>	<i>275,757</i>	<i>20,909</i>	<i>\$4,513</i>	<i>\$10,487</i>	<i>\$507,571</i>	<i>\$736,223</i>
Barrington	17,554	16,819	(735)	\$1,990	\$3,284	\$776,167	\$486,953
Bristol	17,860	22,469	4,609	2,531	4,718	586,974	588,771
Cumberland	26,605	31,840	5,235	2,228	4,951	299,426	528,820
East Greenwich	9,577	12,948	3,371	5,073	8,547	309,435	460,972
Jamestown	2,911	5,622	2,711	3,326	5,691	691,670	547,502
Johnston	22,037	28,195	6,158	4,755	12,302	503,767	678,892
Lincoln	16,182	20,898	4,716	2,359	14,423	1,526,816	1,561,460
Middletown	29,290	17,334	(11,956)	2,839	15,397	500,929	581,650
Narragansett	7,138	16,361	9,223	3,507	8,657	260,754	563,973
North Kingstown	29,793	26,326	(3,467)	3,569	8,462	356,777	406,942
Portsmouth	12,521	17,149	4,628	2,903	6,346	484,564	546,249
Smithfield	13,468	20,613	7,145	2,964	8,767	302,388	374,272
Warren	10,523	11,360	837	3,284	8,341	314,203	593,122
Westerly	17,248	22,966	5,718	6,453	14,471	553,743	711,083
<i>Suburban</i>	<i>232,707</i>	<i>270,900</i>	<i>38,193</i>	<i>\$3,340</i>	<i>\$9,073</i>	<i>\$431,331</i>	<i>\$590,715</i>
Burrillville	10,087	15,796	5,709	\$1,813	\$3,776	\$415,619	\$445,061
Charlestown	2,863	7,859	4,996	2,311	4,845	108,464	191,312
Coventry	22,947	33,668	10,721	1,387	5,327	215,045	442,791
Exeter	3,245	6,045	2,800	1,923	4,281	135,672	266,351
Foster	2,626	4,274	1,648	2,844	3,274	155,578	90,081
Glocester	5,160	9,948	4,788	2,115	4,048	205,896	228,946
Hopkinton	5,392	7,836	2,444	1,221	3,620	146,295	257,118
Little Compton	2,385	3,593	1,208	1,597	4,559	476,178	278,110
New Shoreham	489	1,010	521	23,474	66,510	441,491	736,825
North Smithfield	9,349	10,618	1,269	1,969	7,216	292,214	373,644
Richmond	2,625	7,222	4,597	1,957	7,859	190,241	454,683
Scituate	7,489	10,324	2,835	1,744	3,117	353,078	264,289
South Kingstown	16,913	27,921	11,008	3,805	8,075	466,317	710,087
Tiverton	12,559	15,260	2,701	3,792	5,577	573,788	263,562
West Greenwich	1,841	5,085	3,244	2,052	12,201	251,881	281,032
<i>Rural</i>	<i>105,970</i>	<i>166,459</i>	<i>60,489</i>	<i>\$2,412</i>	<i>\$6,051</i>	<i>\$303,548</i>	<i>\$367,670</i>
Total	948,817	1,048,319	99,502	\$4,615	\$8,977	\$621,039	\$688,143

Source: RIGIS Data and RIPEC estimates (2000)

Section VI – Appendix – Table 9

Property Wealth Measures - All Industrial Property Value							
Community	Population			Value Per Capita		Value Per Acre	
	1970	2000	Change	1970	2000	1970	2000
Central Falls	18,716	18,928	212	\$3,726	\$1,414	\$683,654	\$238,640
Newport	34,562	26,475	(8,087)	294	81	677,231	29,308
Pawtucket	76,984	72,958	(4,026)	5,215	1,669	607,335	195,294
Providence	179,116	173,618	(5,498)	3,735	1,848	771,575	292,037
Woonsocket	45,914	43,224	(2,690)	2,241	1,378	457,371	179,711
<i>Urban Core</i>	<i>355,292</i>	<i>335,203</i>	<i>(20,089)</i>	<i>\$3,527</i>	<i>\$1,585</i>	<i>\$670,162</i>	<i>\$237,176</i>
Cranston	74,287	79,269	4,982	\$1,821	\$2,134	\$403,851	\$215,795
East Providence	48,207	48,688	481	4,723	3,121	487,571	311,203
North Providence	24,337	32,411	8,074	1,028	367	454,999	172,619
Warwick	83,694	85,808	2,114	1,454	1,162	353,829	127,391
West Warwick	24,323	29,581	5,258	1,261	2,651	200,508	266,029
<i>Urban Ring</i>	<i>254,848</i>	<i>275,757</i>	<i>20,909</i>	<i>\$2,121</i>	<i>\$1,854</i>	<i>\$399,118</i>	<i>\$211,326</i>
Barrington	17,554	16,819	(735)	\$370	\$84	\$432,916	\$118,027
Bristol	17,860	22,469	4,609	2,523	853	349,240	133,374
Cumberland	26,605	31,840	5,235	2,132	1,061	457,405	100,599
East Greenwich	9,577	12,948	3,371	6,366	1,986	983,348	202,487
Jamestown	2,911	5,622	2,711	0	0	0	0
Johnston	22,037	28,195	6,158	719	1,236	145,462	126,000
Lincoln	16,182	20,898	4,716	2,959	5,427	167,988	288,493
Middletown	29,290	17,334	(11,956)	118	1,481	863,386	144,861
Narragansett	7,138	16,361	9,223	396	206	201,874	118,806
North Kingstown	29,793	26,326	(3,467)	1,881	1,284	371,046	30,738
Portsmouth	12,521	17,149	4,628	6,875	2,441	439,176	208,008
Smithfield	13,468	20,613	7,145	1,772	3,340	197,182	264,015
Warren	10,523	11,360	837	1,991	2,115	349,128	250,919
Westerly	17,248	22,966	5,718	3,148	1,297	554,128	408,173
<i>Suburban</i>	<i>232,707</i>	<i>270,900</i>	<i>38,193</i>	<i>\$2,065</i>	<i>\$1,682</i>	<i>\$351,214</i>	<i>\$141,330</i>
Burrillville	10,087	15,796	5,709	\$1,543	\$826	\$176,838	\$108,162
Charlestown	2,863	7,859	4,996	1,341	591	166,939	107,987
Coventry	22,947	33,668	10,721	1,510	1,776	200,301	260,034
Exeter	3,245	6,045	2,800	217	454	0	97,213
Foster	2,626	4,274	1,648	0	218	0	33,803
Glocester	5,160	9,948	4,788	1,644	121	404,003	33,773
Hopkinton	5,392	7,836	2,444	3,836	1,543	449,640	275,745
Little Compton	2,385	3,593	1,208	0	0	0	0
New Shoreham	489	1,010	521	0	0	0	0
North Smithfield	9,349	10,618	1,269	4,967	3,093	266,878	188,536
Richmond	2,625	7,222	4,597	4,412	792	503,507	109,076
Scituate	7,489	10,324	2,835	631	173	98,403	96,089
South Kingstown	16,913	27,921	11,008	708	786	122,203	166,081
Tiverton	12,559	15,260	2,701	1,167	739	814,417	363,852
West Greenwich	1,841	5,085	3,244	391	10,347	102,874	1,014,251
<i>Rural</i>	<i>105,970</i>	<i>166,459</i>	<i>60,489</i>	<i>\$1,642</i>	<i>\$1,325</i>	<i>\$231,412</i>	<i>\$223,081</i>
Total	948,817	1,048,319	99,502	\$2,580	\$1,639	\$458,101	\$193,721

Source: RIGIS Data and RIPEC estimates (2000)