

The 'Providence Process' as a model for development

Chester Smolski

HARTFORD — Sen. Paul E. Tsongas of Massachusetts, addressing the International Downtown Executives Association in Washington early this year, stressed the importance of the city center with these words: "I firmly believe that no matter what we do for the neighborhoods, if we let the downtown fail, then the whole city goes. In a real sense, the downtowns are everybody's neighborhood. And it becomes everybody's problem to see that they are as strong and healthy and vibrant as the heart of the city should be."

To make the downtown healthy, he said, requires both public and private investments and cooperation, but the private sector must provide the initiative and leadership because "the private sector owns the downtown, and it is a simple matter of protecting your investments."

This point was reiterated recently by bankers, executives and other leaders of the business community at the 25th annual meeting of this same International Downtown Executives Association in Connecticut's capital city.

Although they spoke of their vested interest in city centers, these private sector leaders also emphasized that greater physical, political and economic constraints impede development in downtowns than in other parts of the city or suburban areas. These constraints entail higher risks in financing downtown projects. That is why city governments so often must provide the right conditions for a good investment climate; in other words, the city must work with the private sector for downtown revitalization. This joint effort by public and private participants is an absolute requisite for bringing life and vitality back to city centers.

Norman Elkin of the Urban Investment and Development Company of Chicago

suggested steps necessary to provide the "operating" environment for effective downtown development.

● First is predictability. Reputable firms are not so much concerned with high taxes, for instance, as they are with their ability to forecast, with some precision, such expenses. Projects last longer than the tenure of politicians, and predictable taxes are more important than long-gone elected officials.

● Second is community commitment. When firms look to downtowns for development, they want help from the political leadership in overcoming some of the constraints attendant to such city center work.

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● Third is mutuality. Returns on project development must accrue not only to the business enterprise but also to the community. Too often the practice has been for business to take from the community but provide nothing in return to that locality which serves as the home of the business firm. Public and private partnerships ensure mutual benefits to both parties.

A good example of this public-private cooperation, initiated by the private sector and given impetus by the city political leadership, is taking place right here in Rhode Island's capital city. This story was well articulated by Bruce Sundlun, president and chief executive officer of The Outlet Company, and it received a favorable reception. In fact, one downtown

thought that Providence was the hellhole of creation, but I can see that I was wrong."

In his talk, Mr. Sundlun traced the demise of the downtown from the end of World War I to the 1950's when preservationists initiated efforts to restore old buildings. In the 60's urban renewal was used to bring in new development, and in the early 70's office blocks and a civic center were constructed by private and public actions.

"In retrospect, 1974 appears to be the turning point in bringing about the partnership aspect of Providence's progress," Mr. Sundlun said in describing the "Providence Process," an evolutionary development leading to this necessary public-private cooperation. In that year a newly elected mayor and a newly established Providence Foundation, the private sector's catalytic agent for downtown change, signalled this new partnership.

This foundation of public-private cooperation, he said, is solid, and proven by recent successes. But behind it all was exactly what Senator Tsongas said was necessary — vigorous private leadership. In Mr. Sundlun's words, "We also recognized that as the area's leading retailer, we would have to take a leading role in revitalizing efforts. And we made that commitment."

We in the city of Providence sometimes lose sight of the accomplishments taking place in the downtown and the rest of the city because we look at daily problems and small events which may be blown up out of proportion. When considered in the long run, and counting the achievements over the past few years, this city has much of which it can be proud. One of our top executives carried this message to downtown professionals from throughout the nation and, although much still needs to be accomplished and constant vigilance is necessary to keep us on track, Providence came up smelling like roses!

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