

COLD FRONT

Sunny but cold today with highs only in the low 20s; clear, cold tonight.
Forecast, C6

The Providence Journal

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Board OKs shakeup at Wyatt

Its replacement of legal counsel and shedding of consultants were clearly a rebuke of the way Anthony Ventetuolo Jr. has run the jail.

BY W. ZACHARY MALINOWSKI
JOURNAL STAFF WRITER

CENTRAL FALLS — The newly constituted board of the Central Falls Detention Facility Corporation made a series of sweeping moves last night that dramatically change the way business is conducted at the Donald W. Wyatt Detention Center.

And, it was all done in less than 25 minutes.

The board, led by Chairman Daniel Cooney, ousted Christopher M. Orton, of Warwick, as the city corporation's legal counsel and it suspended consulting contracts with Dutko Worldwide of Washington, D.C., the RDW Group in Providence, and Thomas Hanley, a well-known lobbyist at the Rhode Island State House.

All of the moves were approved unanimously in a 5-to-0 vote with no discussion among the board members.

Cooney said that he and Margaret "Peg"

SEE WYATT, B4

Obama takes aim at high executive pay

Seeking to stem public outrage, President Obama proposes limits on compensation that executives can get if their firms receive a bailout.

BY STEPHEN LABATON and VIKAS BAJAJ
THE NEW YORK TIMES

WASHINGTON — In announcing new executive pay limits yesterday, President Obama is trying to hold the financial industry accountable to taxpayers while aiming to change an entrenched corporate culture that endorses outsized bonuses and perks that often bear little relationship to corporate performance.

Mr. Obama also needs to deflect a growing populist outrage over sky-high pay among the banks and other companies now on the public dole. His announcement comes just days before the administration is expected to unveil a new strategy — and possibly request more money — to guarantee or buy outright hundreds of billions of

SEE PAY, A4

Slain woman, 19, excelled at life, family says

The Cranston police are still seeking a suspect in the stabbing a week ago of Melissa A. Delmonico.

BY MARIA ARMENTAL
JOURNAL STAFF WRITER

JOHNSTON — They sat at the kitchen table, grandmother and aunt, remembering the girl who had been tragically taken from them days earlier.

A photograph on the family's fridge shows a vivacious young woman holding her puppy, Moose.

It was her last photograph.

Melissa A. Delmonico — "Mel" to those who knew her — was stabbed to death in her Cranston home a week ago today. She was 19.

"This little girl did not deserve this," said Judith DiPalma, the companion of Melissa's father. "She was just an outstanding person."

"Not only did they take her away, they ruined the whole family," DiPalma said.

SEE FAMILY, B4

TAXES IN RHODE ISLAND

Major cuts proposed

Key recommendations of the governor's tax panel

- Reduce the number of personal income-tax brackets from five to four; establish four rates, ranging from 3.5 percent to 5.5 percent.
- Eliminate the corporate income tax.
- Treat capital gains as ordinary income.
- Gradually raise the threshold above which Rhode Island's estate tax kicks in from \$675,000 to \$3.5 million.



THE PROVIDENCE JOURNAL / MARY MURPHY

State Department of Revenue Director Gary S. Sasse, left, and David Sullivan, state tax administrator, confer during a meeting at the State House yesterday of the tax work group. The panel plans to recommend tax policy changes to Governor Carcieri.

Panel says plan would make state more competitive

BY NEIL DOWNING
JOURNAL STAFF WRITER

PROVIDENCE — Governor Carcieri's tax-reform panel yesterday recommended scrapping the state corporate income tax, a move that would save businesses more than \$82 million a year.

Proponents said that doing so would encourage economic development and spur the creation of jobs. The state has an unemployment rate of 10 percent, its highest in more than 30 years.

Opponents said there is no firm evidence that eliminating the tax, a hefty revenue source, would create jobs. The state faces a \$357-million budget deficit for the year ending June 30.

A spokeswoman for Carcieri said he had

not reviewed the proposal and awaits the panel final, written report.

Similarly, spokesmen for House and Senate leaders said they had not had a chance to review the plan.

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YOUR TURN: What wage or benefit sacrifices would you be willing to make if it meant being able to keep your job? Tell us at: **projo.com**

Also yesterday, the panel proposed the following:

- Establish four rates for the state's personal income tax, ranging from 3.5 percent to 5.5 percent. (Rates now range from 3.75 percent to 9.9 percent.) There would be four brackets, instead of the current five.
- Eliminate most personal income tax credits, but keep four, including a credit for income taxes paid to other states, the state-wide property-tax relief credit, a credit for lead paint abatement, and the earned income credit.
- Treat capital gains as ordinary income; eliminate the flat-tax option for calculating the personal income tax; and require that all taxpayers use the standard deduction, instead of making separate lists of their deductions (a process known as itemizing).
- Raise the threshold above which Rhode Island's estate tax kicks in to \$1 million initially, then gradually increase it to \$3.5 million. (The exemption amount is now

SEE TAXES, A4

Revaluations put a number on housing decline

BY RANDAL EDGAR
JOURNAL STAFF WRITER

Four and a half years ago, Michael and Rachel McNally walked into a gray Colonial in Cranston's Oak Hill Terrace neighborhood and said yes — this was where they wanted to raise a family.

The house was the right size, it had a nice yard and it was on a quiet street.

Prices were rising in 2004 and the McNallys, like other buyers, had to make concessions. They paid \$260,000 — almost double what the three-bedroom house with an attached garage was assessed for at the time.

A revaluation in 2005 raised the assessed value to \$229,900, but in the three years that followed, a lot of things happened. The housing bubble burst. The credit market

The new reality

Preliminary tax assessments of three randomly chosen houses in Cranston illustrate how property values have dropped since the city's last revaluation, in 2005.



45 Hummingbird Lane
House type: Six-room Colonial
Living area: 2,460 sq. ft.
2005 value: \$500,300
Current value: \$417,500
Percent change: -16.6%



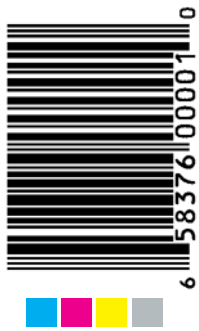
11 Plymouth St.
House type: Seven-room ranch
Living area: 1,656 sq. ft.
2005 value: \$246,500
Current value: \$209,100
Percent change: -15.2%



90 Garfield Ave.
House type: Six-room cottage
Living area: 1,037 sq. ft.
2005 value: \$164,100
Current value: \$107,100
Percent change: -34.7%

SOURCE: Vision Appraisal Technology

SEE HOUSING, A4



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VATICAN ISSUES ORDER TO BISHOP

The Vatican orders a British bishop to publicly recant his denials of the Holocaust, responding to an outcry over last month's decision by Pope Benedict XVI to welcome the excommunicated cleric back into the church. **A2**

CONVERSION DELAYED

With many Americans apparently still not prepared, Congress decides to delay the nation's conversion from analog to digital television from Feb. 17 until June 12. **A2**

CONLEY BOWS OUT

Patrick T. Conley withdraws his candidacy for chief justice of the Rhode Island Supreme Court. **B1**



PC FALLS TO VILLANOVA

Despite getting on track late in the second half, the Friars can't catch up as they narrowly fall to the 17th-ranked Wildcats, 94-91. **D1**