

Chris O'Brien

From: Maia Farish <maiafarish@gmail.com>
Sent: Thursday, June 11, 2020 1:54 PM
To: Chris O'Brien
Cc: Rep. Abney, Marvin L.
Subject: Testimony for today's Finance Committee hearing

Please read this into the record for the Chairman's review.

Dear Chairman Abney:

I first want to thank you profusely for considering H7246 on your Finance Committee agenda today. I know there are hundreds of bills and interests competing for your attention during these challenging times. I applaud you and your colleagues for forging ahead with the legislative agenda despite so many vexing and unprecedented issues. So, thank you again for considering H7246, and I submit below what is basically the same advocacy message I sent in my initial outreach to you.

I urge you and your committee to pass H7246, which calls for the *repeal of the Sunset Provision* that was embedded in the original Historic Tax Credit (HTC) legislation from 2013.

Why is repealing the Sunset Provision so important?

Because, based upon the anecdotal information available to us (because Taxation cannot disclose the actual information on the wait list of projects), *there are 36 projects on the HTC wait list worth about a quarter of a billion dollars in investment potential*. Shovel-ready projects that would immediately create construction jobs and generate income- and sales-tax revenue (purchase of building materials and supplies can be anywhere from 30 to 45 percent of the total project costs, according to developers we've talked to over the years) *without any cost outlay from the state until the tax credit is issued - which occurs upon project completion and issuance of certificate of occupancy*.

Developers have relied on the HTC to revitalize entire city blocks of historic buildings in Providence and many, many buildings, large and small - providing affordable and market-rate housing, and retail and professional spaces - all over the state. Because the HTC has not been recapitalized since 2013, Rhode Island must, at the very least, continue to provide developers an open door to access these recycled credits to help finance their projects and keep this pipeline of redevelopment and economic activity flowing. *Repealing the Sunset Provision will ensure that this steady stream of private investment in our state can continue so we don't lose construction jobs and economic activity from these projects to other states that ARE funding their HTC programs*.

Many thanks again for your support for the revitalization of our cities and towns through the Historic Tax Credit. I and my fellow advocates look forward to a time when we can revisit how to recapitalize the program. In the meantime, **repealing the Sunset Provision will keep the HTC from evaporating completely**, and we thank you for your consideration.

Be well, stay safe.

Maia Farish

Providence

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