

THE PROVIDENCE FOUNDATION

April 29, 2026

The Honorable Marvin Abney
Chair
House Committee on Finance
Rhode Island House of Representatives

RE: H 8408 – Relating to Taxation – Historic Tax Credits 2013

Dear Chair Abney and Members of the House Finance Committee:

On behalf of The Providence Foundation and our 140 members, I write to express our support for H 8408, which would expand the historic tax credit to promote the preservation of historic buildings and their adaptive reuse as much-needed housing.

Cement serves as the foundation of nearly everything constructed in the homebuilding industry, binding together the materials that form a complete structure. A similar principle applies to historic rehabilitation projects, where the State Historic Tax Credit functions as the foundation of the financing stack, enabling the revitalization of buildings that might otherwise remain vacant and underutilized.

Rhode Island established the original State Historic Tax Credit (SHTC) in 2002, drawing on the success of similar programs across the country. That decision proved transformative. The program quickly spurred investment in long-neglected mills, department stores, and commercial buildings, returning them to productive use.

Across Providence, the results are easy to see. Projects such as Paragon Mills, Rising Sun Mills, the Arcade, the Foundry, and the Westminster Lofts have helped define the city's economic resurgence. The revitalization of the Westminster Street corridor stands as a clear example of what this policy makes possible. It is difficult to imagine the city today without these developments.

The impact, however, extends well beyond Providence. Communities throughout Rhode Island have benefited from similar reinvestment, including projects like the American Tourister Building, Arctic Mills, Hope Artiste Village, and American Wire. Nearly every city and town has seen how this program can bring new life to underutilized properties.

At its core, the State Historic Tax Credit remains the most effective policy tool supporting redevelopment and revitalization efforts in Rhode Island. It provides certainty within the capital stack, attracts private investment, leverages federal historic tax credit funding, and strengthens lender confidence in complex projects. The results speak for themselves.

Since 2002, \$442.8 million in state credits has generated approximately \$2.18 billion in community investment, leading to the rehabilitation of 320 buildings statewide. Despite this track record, the program has not been funded in recent years, creating a slowdown in redevelopment activity and limiting economic growth.

Restarting this momentum requires a clear and reliable commitment to funding. Reinvesting in the State Historic Tax Credit will help create new housing units, attract additional federal dollars, and continue the revitalization of neighborhoods across Rhode Island.

For these reasons, we respectfully urge the General Assembly to fund the program at no less than \$50 million while increasing the historic tax credit to 35 percent for housing opportunities.

Adequate funding is essential to fully realize the goals of H 8408 and related legislation.

The Providence Foundation supports Representative June Speakman's efforts to advance this bill. Its success, however, depends on a strong and fully funded State Historic Tax Credit program.

Thank you for your consideration of this important matter.

Sincerely,



David Salvatore
Executive Director
The Providence Foundation