



March 4, 2025

The Honorable Stephen Casey
Chair
House Municipal Government and Housing Committee
Rhode Island House of Representatives

RE: H 5688 “An Act Relating to Taxation – Levy and Assessment of Local Taxes”

Dear Chair Casey and Honorable Members of the Committee:

On behalf of The Providence Foundation, I am writing to express our members’ staunch support for H 5688 and policies that promote housing conversions as a strategy to address Rhode Island’s ongoing housing crisis. H 5688 which would offer several provisions that aim to increase much needed housing supply at various price points, while preserving the character of Downtown Providence and other residential neighborhoods.

For the past 50 years, The Providence Foundation has advocated for bold visionary land use changes that have transformed Downtown Providence. From moving rivers and highways to activating new open spaces, we have worked persistently throughout the decades making Downtown Providence a welcoming place for residents, business, and visitors alike. We made these strides in our capital city with the support of this legislative body at that time. The history we built together is greatly appreciated, and our members hope you will consider H 5688 to further the growth and economic well-being of downtown.

The Providence Foundation has always supported maintaining the unique architectural and cultural heritage of our city. One does not have to look beyond Westminster Street in Downtown Providence to appreciate the economic and cultural benefits of historic preservation. However, The Providence Foundation is concerned about growing vacant commercial property located in Downtown Providence and other communities. That is why we strongly support measures like H 5688, which would provide developers with a tool that is necessary for housing conversions, while creating a framework for predictability when considering a project.

It is no secret that Providence’s non-competitive commercial property tax rate has hindered the type of development, such as housing, which is desperately needed in Rhode Island’s capital city. According to the Lincoln Land Institute, Providence ranks third

nationally for the highest effective commercial property tax rate in the country.¹ At a time when housing prices soar across Rhode Island, The Providence Foundation fully supports efforts to streamline the approval process for housing conversions, while advocating affordability. Making certain that converted housing remains accessible to a broad range of residents will help grow our population while making Providence and other communities enticing for businesses.

Finally, The Providence Foundation is encouraged by Speaker Shekarchi's leadership to address housing policy and make the development process efficient and predictable. Additionally, tax policy will be crucial to ensuring that residential conversions will lower housing costs for current and prospective residents. Consistent with recent reports regarding housing affordability in Providence, Rhode Island's capital city ranks first in the nation as the least affordable metro city for renters.² Approving H 5688 will provide a necessary tool that incentivizes developers to help meet demand and stabilize housing costs.

The need for more housing is urgent, and housing conversions represent a viable and efficient solution to this challenge. I urge this committee and the House of Representatives to support policies like H 5688 that encourage the conversion of underutilized buildings into quality housing. Thank you for your time and consideration.

Sincerely,



David Salvatore
Executive Director
The Providence Foundation

¹ *50-state property tax comparison study*. Lincoln Institute of Land Policy. (2024, July 17).

<https://www.lincolnst.edu/publications/other/50-state-property-tax-comparison-study-2023/>

² Kohli, N. (2025, February 19). *Redfin ranks providence as the least affordable metro area for renters. here's why*. The Providence Journal. <https://www.providencejournal.com/story/news/local/2025/02/19/providence-is-the-least-affordable-metro-area-for-renters-redfin-ranks/79069023007/>