
Memorandum

To: Providence City Council
c/o City Clerk
Providence City Hall
25 Dorrance Street
Providence, RI 02903

From: Darryn and Ayisha Lee

CC: Althea Graves; Rachel Miller

April 22, 2025

Subject: Written Testimony Opposing Proposed Property Tax Increase on Multi-Family Properties (House Bill #6162)

Dear Honorable Members of the Providence City Council,

We are writing to you as proud Providence residents, married with two young children, and the owners of multi-family properties in Smith Hill and Federal Hill. We strongly oppose the proposed property tax increase on multi-family properties as desired by passing House Bill #6162, as outlined in the Mayor's budget proposal.

While we understand the fiscal challenges the city faces, we urge the Council to consider the unintended consequences this tax hike would impose on small property owners like ourselves. Multi-family homes are the backbone of Providence's housing stock, providing affordable living spaces for working families, students, and long-time residents. We have been in keeping with this mantra over the years by keeping annual rent increases to less than 4%, even 0% in many cases. We are able to do this because we focus on acquiring properties at reasonable prices, as to not have to gouge tenants on rent. We typically price in the bottom 25th percentile of the neighborhood's rents.

Increasing property taxes at this scale though, will inevitably force owners to pass these costs onto tenants, further exacerbating the city's housing affordability crisis. Median household income in Providence is up ~15% from 2020 to 2023 (Neilsberg Research, 2025), although inflation is up 19% (Providence Business News, 2024) in that time frame, so how does this bill help already strained residents?

As property owners, we take pride in maintaining safe, clean, and welcoming homes for our tenants. We are confident that any of our tenants would attest to that. Rising taxes, combined with the already increasing costs of maintenance, insurance, and utilities, make it increasingly difficult to uphold these standards. The proposed increase not only threatens the stability of local families but also undermines the economic viability of investing in Providence's housing market.

We respectfully ask the Council to reject this tax proposal and explore alternative budget solutions that do not disproportionately burden multi-family property owners and the residents who rely on these homes. The primary alternative that should be considered is **zoning updates**. 44.3% of Providence is currently zoned for multi-family dwellings (Zoneomics, 2024). Focusing on expanding R-3, R-4, and other zoning codes would help from a housing affordability stance. Austin recently did this, expanded construction, and they have seen more favorable rents. Tax increases do not solve the underlying problems that Providence residents are facing.

Thank you for your time and for your continued commitment to the wellbeing of our city.

Sincerely,

The Lee Family (Darryn, Ayisha, Zoe, and Vincent Lee)

Referenced Sources

(2024, February 19). Retrieved from Zoneomics: <https://www.zoneomics.com/zoning-maps/rhode-island/providence>

Neilsberg Research. (2025, March 3). *Providence, RI Median Household Income: Trends, Analysis, and Key Findings*. Retrieved from <https://www.neilsberg.com/insights/providence-ri-median-household-income/>

Providence Business News. (2024, August 21). *Pay in R.I. increased slightly less than inflation rate since pandemic*. Retrieved from <https://pbn.com/pay-in-r-i-increased-slightly-less-than-inflation-rate-since-pandemic/>