



May 19, 2026

The Honorable Louis P. DiPalma | Chairman
Senate Committee on Finance
Rhode Island General Assembly
82 Smith Street – Room 211
Providence, RI 02903

RE: Written Testimony for S 3151 – An Act Relating to Taxation (Historic Preservation Tax Credits)

Dear Chairman DiPalma & Fellow Committee Members:

I am writing to express my strong support for **S 3151**, which would make critical improvements to Rhode Island's Historic Preservation Tax Credit program.

Over the past 30 years, Cornish Associates has tried to provide the blueprint for successful urban renewal with the redevelopment of 13 historic buildings downtown, delivering over 300 units of housing and 35 commercial tenants in downtown Providence, with the aim of creating a mixed-use residential neighborhood in the city's center. We have firsthand experience with the transformative economic impact these tax credits generate. The Historic Tax Credit program has been instrumental in breathing new life into our historic buildings, creating jobs, expanding housing options, and revitalizing our urban cores.

S 3151 proposes several key enhancements that would strengthen this historically successful program:

1. **Increasing the credit percentage from 20% to 30% for multi-family housing projects:** This improvement acknowledges the critical need for housing in our state and incentivizes developers to convert historic structures into much-needed residential units.
2. **Reducing the processing fee from 3% to 1% and making the fee refundable upon project completion:** This change will lower barriers to entry and make more projects economically viable, particularly for smaller developers.
3. **Extending the sunset provision to June 30, 2031:** This extension provides the market stability and predictability needed for long-term planning of complex historic rehabilitation projects.
4. **Increasing transparency of the project waiting list:** This update will allow developers to more effectively and accurately line up financing for projects, as well as provide public access to better understand the location and type of proposed historic rehab projects.

These thoughtful reforms address real challenges we've encountered in our work. The higher percentage for multi-family housing directly responds to Rhode Island's housing shortage by incentivizing the adaptive reuse of our historic buildings.

The economic benefits of this program extend far beyond the initial rehabilitation. Our experience at Cornish Associates shows that historic rehabilitation projects spur additional investment in surrounding neighborhoods, increase property values, grow the tax base, create permanent jobs, and attract both residents and businesses to previously underutilized areas.

While **S 3151** will make the program more viable, projects still cannot move forward due to funding constraints currently facing the program. I urge you to find a reliable and consistent source of funding, as many of our neighboring states contribute annually to their programs. Massachusetts recently doubled its allocation to \$110M per year for next ten years, and Connecticut makes \$31.7M available each fiscal year. I urge the House to embrace making an annual allocation to the Historic Tax Credit Program. I recognize that it is a difficult budget year, but a substantial appropriation (~\$50M) this year would go a long way to recapitalization of this critical program and reinvigorate a proven tool to build much needed housing.

I urge you to support **S 3151** and its common-sense improvements to the Historic Preservation Tax Credit program. These changes will help ensure this valuable program continues to drive economic development, create jobs, and preserve our state's unique architectural heritage for years to come.

Thank you for your consideration and attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Arnold B. Chace Jr.', with a stylized flourish at the end.

Arnold B. Chace Jr.
Managing Partner
Cornish Associates
Downtown Providence Resident

46 Aborn Street
Providence, RI 02903
PH 401.421.0254
FX 401.421.6866

WWW.CORNISHLP.COM