



**DONALD R. GREBIEN  
MAYOR**



May 18, 2026

Chairman Lou DiPalma  
RI State Senate Committee on Finance  
Rhode Island General Assembly  
82 Smith Street  
Providence, RI 02903

Submitted to: Jamie Plume Committee Clerk: [SenateFinance@rilegislature.gov](mailto:SenateFinance@rilegislature.gov)

**RE: Written Testimony in Support of Senate Bill S 3151** to reform and strengthen the State Historic Tax Credit Program

**FROM:** Mayor Donald R. Grebien, City of Pawtucket

Dear Chairman DiPalma and Members of the Rhode Island Senate Finance Committee:

As Mayor of the City of Pawtucket, I write in strong support of S 3151, legislation that would help restore Rhode Island's Historic Tax Credit ("HTC") program as a competitive and effective tool for housing production, economic development, and community revitalization.

Rhode Island can only effectively address its housing crisis and remain economically competitive by leaning into the strengths that uniquely define our state. Among our greatest assets is our nationally recognized collection of historic buildings and neighborhoods, many of which anchor our downtowns, Main Streets, and transit-oriented communities.

The Historic Tax Credit is not a speculative or experimental initiative. It is a proven, high-impact economic development tool with a long record of success across Rhode Island.

Over the last 24 years, the HTC program has facilitated the rehabilitation of 324 historic buildings in urban, suburban, and rural communities, generating more than \$2.18 billion in total investment throughout the state. The program has also:

- Helped clean up environmentally contaminated Brownfield sites where many historic structures are located;
- Supported the creation of nearly 5,600 net new housing units;
- Reduced opportunities for vandalism and arson by bringing long-vacant buildings back to life; and
- Increased property values and property tax revenues in economically challenged neighborhoods across Rhode Island.

Despite its transformational impact, the HTC program has become increasingly uncompetitive in recent years due to several outdated provisions.

Among the most significant concerns is the program's required filing fee of 3% of Qualified Rehabilitation Expenditures ("QREs"), which is the highest in the nation and non-refundable. In Rhode Island, a project with \$10 million in QREs must pay a non-refundable fee of \$300,000. By comparison, similarly sized projects in Connecticut, Maine, and Massachusetts would pay processing fees of roughly only \$1,000.

Additionally, the current structure disadvantages housing development during an ongoing housing crisis by providing a 25% credit for commercial projects but only a 20% credit for housing projects. Neighboring Northeastern states, including Connecticut and Maine, offer enhanced credits for qualifying housing developments, particularly those with affordable housing components.

Long-term stability is another critical issue. Developers need confidence that the HTC program will remain available and funded throughout the lifecycle of their projects. Currently, Rhode Island's HTC program is set to sunset on June 30, 2026. S 3151 would extend the program for an additional five years, through June 30, 2031, providing a stronger and more reliable foundation for investment.

The bill also addresses longstanding concerns regarding the lack of transparency surrounding the HTC waiting list. Currently, project names, locations, purposes, and queue positions are not publicly available, making it difficult for developers to plan projects and for stakeholders to evaluate and advocate for the program effectively.

S 3151 directly addresses these shortcomings by:

- Reducing the filing fee;
- Increasing the HTC for housing projects to 30%;
- Providing up to a 35% credit for projects with significant affordable housing components;
- Extending the program sunset date to 2031; and
- Requiring greater transparency for projects on the HTC waiting list.

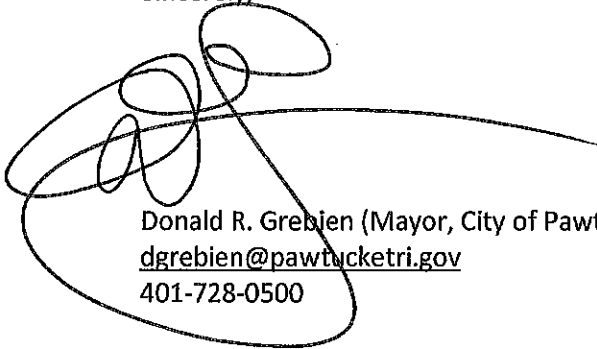
However, while reforming the structure of the program is critically important, restoring the HTC's effectiveness also requires renewed funding.

At present, the HTC program is functionally out of available funding. As of April 27, 2026, there was insufficient funding available for the State to make commitments to any of the 53 projects currently on the HTC waiting list. Collectively, these projects represent more than \$434 million in projected investment across Rhode Island, but they require approximately \$88.5 million in State HTC support over time to move forward.

That is why, alongside passage of S 3151, Rhode Island must establish a reliable and consistent source of funding for the HTC program, similar to the approaches taken by neighboring states.

For more than two decades, the Historic Tax Credit has been one of Rhode Island's most effective tools for generating investment in ideal locations for housing and economic development. I thank you for your continued support of this program and respectfully urge you to pass S 3151 and provide the resources necessary to restore this dynamic engine for housing production, economic growth, and community revitalization across our state.

Sincerely,

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

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