Testimony of Scott Wolf, Executive Director, Grow Smart Rhode Island, to the Senate Finance Committee in Support of S 136, Legislation to Repeal the Sunset Provision for the State Historic Tax Credit Program May 4, 2017

Grow Smart RI is a non-profit public interest group representing a broad coalition of groups and concerned citizens committed to strengthening Rhode Island’s economy in a sustainable and equitable manner through an asset based economic development strategy.

We are submitting this testimony because we believe that one of Rhode Island prime assets and economic engines is our extensive, world renowned collection of historic buildings and neighborhoods. Since the State Historic Tax Credit program began in 2002, the rehabilitation of hundreds of underutilized commercial historic buildings has occurred in a diverse array of Rhode Island’s cities and towns. This has been accompanied by approximately $1.7 billion in private investment into the Rhode Island economy, the creation of thousands of construction and longer term jobs, hundreds of millions of dollars in new state and municipal tax revenue, the cleanup of dozens of environmentally contaminated sites, enhanced public safety in our neighborhoods and the upgrading of both our quality of life and marketability to the nation and world.

For all of these reasons, we strongly support S 136, legislation to repeal the June 30, 2017 Sunset provision for the existing Historic Tax Credit program. Rather than eliminating this well vetted and high performing program, we support recapitalizing it to restore RI’s status as a national leader in incenting historic rehabilitation.

As you consider this legislation, we think it’s important to note that that there are 29 projects currently on the waiting list for the State Historic Tax Credit program. These projects, with a projected collective investment of more than $200 million in the Rhode Island economy, represent a major potential engine for community revitalization, sustainable economic growth and expansion of municipalities’ tax bases. It is our understanding that if the Sunset is allowed to go through, these projects would lose all opportunity to take advantage of the State Historic Tax Credit program. This is clearly not the outcome anyone should want, particularly if we’re serious about continuing Rhode Island’s economic comeback and strengthening our state’s image as a business friendly place.

My closing message is to pass S 136 so that Rhode Island can keep building on our strengths by fully capitalizing on our world renowned collection of historic buildings and neighborhoods. This is one asset that gives us a meaningful competitive economic advantage over most other states. Let’s make sure we use this asset effectively and aggressively.

Respectfully,

Scott Wolf, Executive Director, Grow Smart RI